

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

May 3, 1982

The regular meeting of the Board of Directors of Wells Rural Electric Company was called to order on Monday, May 3, 1982 at 1:00 p.m. President Vernon Dalton presided over the meeting.

Directors present were Gene Pengelly, Vernon Dalton, Vernon Scott, Joe Riordan, Ray Crawford, Ferris Brough, Mary Wright, Daryl Eriksen, Jesse Larsen and Wanda Borden. John Krenka was unable to attend.

Present from the staff were Lee Standley and Patti Blackett. Pete Van Der Meulen, Len Alder and Charlie French from Power Engineers were also present.

Corrections to the minutes: JESSE LARSEN MOVED THE MINUTES OF THE APRIL 16, 1982 MEETING BE APPROVED AS WRITTEN. JOE RIORDAN SECONDED THE MOTION AND IT CARRIED UNANIMOUSLY.

Pete explained the bid on the Wendover Substation, briefly went over the contract and went over the plans. The bid opening was held at 2:00 p.m. There were contractors present from Power Line Construction, Anderson Wood Construction and Wasatch Electric. The bids were as follows: Power Line Construction \$523,930; Anderson Wood Construction \$515,000; MacGregor Triangle \$596,030; Lang Electric \$550,546.65; Wasatch Electric \$558,267 and Harker & Harker \$497,647. The low bidder is Harker & Harker with Anderson Wood second and Power Line third. VERNON SCOTT MOVED WE ACCEPT THE BID OF HARKER & HARKER OF RENO, NEVADA AS THE CONTRACTOR FOR THE WENDOVER SUBSTATION. JOE RIORDAN SECONDED THE MOTION AND IT CARRIED UNANIMOUSLY.(Exhibit I)

Lease Option - Wendover Land Co.: This should be finalized by next Monday.

Carlin Gold: Carlin Gold filed a petition to intervene so that they will be notified of all hearings and meetings that transpire. It was granted.

Land for new office building - Wells: Claire Morrow said there is additional land available on Humboldt Avenue. She did not give a price. Wanda had two other parcels of land. Birdzell has 10 acres and is asking \$25,000 an acre. Bill Hylton has 20 acres and is asking \$30,000 an acre. We will get a price on the additional land on Humboldt.

Cost of Service Study: As of now, we have received 4 proposals.

Policy Committee: They met on April 28th at 1:00 p.m. The committee recommends that all directors manuals will contain the rates, rules, regulations, policy, bylaws and articles of incorporation and that they will be combined in one manual. It was also recommended that the board members bring their books to every meeting. This will help in updating and keeping these manuals current. VERNON SCOTT MOVED WE PUT THIS IN THE POLICY. JESSE LARSEN SECONDED THE MOTION. It was stated that this was just a recommendation and it would be hard to enforce. The motion and second were withdrawn. The line extension policy was discussed and suggested that Warren work on it. The money would be put in to the bank in a special account that we could draw down on and the interest would be paid to the consumer who put the money up-front. Also discussed the demand fee on irrigation.

Director's Expense Committee: A meeting was held on April 29th at 2:00 p.m. They went over the 1981 directors budget. It was discovered that 5 directors went to the Region IX Meeting in Alaska and only 3 are allowed to go with full compensation. We need to appoint an ACRE representative for the state ACRE committee. GENE PENGELLY MOVED WE APPOINT DAN KESSLER AS OUR ACRE REPRESENTATIVE. DARYL ERIKSEN SECONDED THE MOTION AND IT CARRIED UNANIMOUSLY.

Safety Report: The Safety Meeting for April was held the 27th of April with 16 employees in attendance. Vic Olsen from Ruralite conducted the meeting. The subject was first aid and CPR. This was the second course on first aid training. Upon completion, all employees in attendance were given a certificate of completion in first aid and CPR. All vehicles were inspected and all were in good condition. There was no near misses and no lost time. As of May 3, 1982, we have logged 1,199 accident free days with no lost time. The Apprentice Training Program is progressing very well. Roger Dickinson has completed his 3 years of appr. training and was promoted to Journeyman Lineman as of 4/16/82. Bud Calton, Safety Supervisor, presented Roger his certificate of completion to Journeyman Lineman at the safety meeting. The next safety meeting will be held May 25th on PCB'S.

Construction Report: In Carlin, the old substation has been retired and several jobs have been completed concerning secondary wiring. In Wells, a temporary service for Mike Seech has been completed and several jobs have been completed on the Starr Valley line and the conversion will take place in the near future. In Wendover, several security lights have been installed and jobs involving secondary poles and secondary wiring have been completed and we have energized all of the employee housing units for Nevada Crossing.

Engineering Report: In Carlin, an alley rebuild job will begin in the near future and we have had an inquiry from the Hill Top trailer court about remodeling and expanding. In Wells, work is in progress concerning the Starr Valley conversion job, Bob Lutes has been awarded the three phase project for the Johnson Springs pump and as of May 1st, Don McDonald will be promoted to Staking Engineer. This is a well deserved promotion as Don is very knowledgeable about surveying and has had experience in line construction. In Wendover, the new Goldrush Hotel will be energized in the very near future. Bob Lutes is doing the work. Bob Lutes will do the work for serving the trailer park being built by Nevada Crossing and the Metro Truck Stop east of Wendover is interested in three phase service for their sewer system.

Outage Report: As of 4/22/82, there have been 12 outages system wide.

All outages were unscheduled. There were six outages in Wells, four in Wendover and two in Carlin. This is an incomplete report for the month of April.

Hydro Plant: Many years ago, the water in the spring would almost be at maximum no later than April 15th. This year, it is April 22nd and there is no increase in the amount of water. However, with some warm days, the water will flow. With an increase in water, there will be more output in the generator and more money in the kitty. Gene S. is trying to get a screen at the collection box to ward off all rocks and leaves so it won't go down in the pipe into the nozzle. The plant now is running very good. The hydraulic system leaks oil which will take time and patience to overcome, however, it will be accomplished in the near future.

Member Services Report: The participants in the Youth Energy Seminar are Val Thiel and Gordon Smith who will be attending the seminar in Logan, Utah and Berry Carone, Robert Parsons and Melanie Koska who will be attending the seminar in Steamboat Springs, Colorado.

Scholarship Policy: We had some problems with the policy just recently. We have had a default and there was not anything in the policy covering this. We made some changes in the policy to cover this. JOE RIORDAN MOVED WE ADOPT THE POLICY CHANGES. GENE PENGELLY SECONDED THE MOTION AND IT CARRIED UNANIMOUSLY.

Interviews will be held on May 14th at 9:00 a.m. in Wendover, 11:30 a.m. in Wells and 2:30 p.m. in Carlin.

Annual Meeting: We fed over 250 people, gave 35 gifts away and had 96 registered members. There were close to 200 people at the meeting. This is one of the best attended meetings we have had.

Power Supply: Bob Vaughan attended the Northwest Utilities Conference on legal issues in relation to WNP 4 & 5. He will be sending us a report.

Employee & Director Institutes & Schools: Lee reported on the Central Area Annual Meeting and also on the New Manager's Conference.

New Memberships: GENE PENGELLY MOVED WE APPROVE THE 1 MEMBERSHIP FROM WELLS, 16 FROM WENDOVER AND 6 FROM CARLIN. VERNON SCOTT SECONDED THE MOTION AND IT CARRIED UNANIMOUSLY.

Manager's Report: The CFC inquiry forms will be tabulated and sent in.

We need a resolution for BLM R/W for constructing electric lines across federal land. GENE PENGELLY MOVED WE ADOPT THE RESOLUTION. RAY CRAWFORD SECONDED THE MOTION AND IT CARRIED UNANIMOUSLY. (Exhibit II)

Kootenai Electric has put out some information on WPPSS. Copies will be made for all directors.

The meeting adjourned at 3:43 p.m.

D. VERNON DALTON, PRESIDENT

WANDA BORDEN, SECRETARY