

REGULAR MEETING OF THE BOARD OF DIRECTORS

OF

WELLS RURAL ELECTRIC COMPANY

November 19, 1971

A regular meeting of the Board of Directors of Wells Rural Electric Company was held in the Company Office in Wells, Nevada on November 19, 1971 at 1:00 P.M.

The meeting was called to order by James L. Ballard, President, who presided, and Clarence C. Swett, Secretary, acted as Secretary of the meeting.

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

Absent was Joe Quilici.

Also present were Manager Blackett, F. T. Murphy, Fred Toombs, Attorney Vaughan, Bill Lallman and R. L. Weber representing Kaiser chemicals.

The minutes of the October 15, 1971 regular meeting were approved as written.

Kaiser Request for Reduction in Pump Minimum: Attorney Vaughan reviewed the proposed amended contract with Kaiser Chemical. Various questions were brought up with Attorney Vaughan, by Kaiser, concerning the amount of the minimum.

Manager Blackett presented figures on the amount of the minimum and the amount paid to date.

After discussion it was decided that it would be necessary to review the line extension and all consumers connected to the line in regard to when they were connected, costs and minimums. Then to meet with Kaiser's Power Engineer and Clarence Lee to develop figures for the amended contract.

Vernon Dalton moved that Kaiser's Power Engineer meet with Wells Rural Electric to prepare figures for the next meeting.

Seconded by Robert Wright. Motion passed.

New Power Source: BPA met with Idaho Power Company in Portland and thought negotiations were progressing better now. A proposal was made that we retain the capacity in the line and BPA pay wheeling charges. This way we would not request a refund of the connection charge.

Robert Wright asked that Rural TV and Utilities Tax assessments be added to the agenda.

These two items were approved.

Utilities Tax Assessment: This is determined by a formula used by the State Tax Commission to determine the market value of the utility. Attorney Vaughan reported that Mt. Wheeler obtained a reduction for this year and the Tax Commission, at this time, is receptive to suggestions.

Vernon Dalton moved that Wells Rural Electric Company initiate a study through the University of Nevada or other independent body, to arrive at a method of assessing cooperatives, with cooperation of other cooperatives in the state.

Seconded by Robert Wright. Motion passed.

Construction: F. T. Murphy reported that underground to 4-Way completed with exception of transformer. Patrol and hardware tightening on line 4 completed. All lines patrolled after hunting season. Services run in Utah and Nevada. Forest Service contacted on Cass House Peak line. To meet with them November 30, 1971.

Power Use: Calta Mines still drilling. Utah Marblehead Line to drill at Moor. Installed fire siren and controls at Wendover.

New all electric houses for Bill Hylton and Lyle Mortensen. New one coming for Joe Riordon. Nell Lamus house being converted to electric heat.

The service department was discussed again.

Vernon Dalton moved that the function of the services department be a department that serves the purpose of satisfying the needs of the people as needed for the use of electrical service. Motion seconded by Jess Urresti. Motion passed.

Sale of Diesel Engine: Talked to O'Brien Machinery Company who are interested in it.

International Power Machinery Company have a party in Mexico interested.

North Fork Tuscarora Area: Construction progressing.

Doug Mitchell Line Extension: Awaiting outcome of Cass House Peak Line.

Landscaping: Waiting for spring.

Utah Power and Light Request for Wheeling. Nothing new.

Insurance for members: Mutual of Omaha was to send a new proposal which has not arrived.

Vernon Dalton talked to Ray Goicoa and he said they would look into a number of companies.

John Collett has said he would check with other companies.

NRECA Institutes: Robert Wright stated he thought compulsory attendance of NRECA Institutes should be considered. This was discussed to some length.

Robert Wright moved to amend the by-laws to read: Each newly elected director shall attend Institute 500.2 during his first term. After his first term attendance shall be optional. Motion seconded by Arthur Grock.

Motion passed with five votes in favor and four votes opposed.

President Ballard brought out the point that Directors were only paid for their time attending institutes and not for travel time.

Vernon Dalton moved that directors be paid regular board meeting salary for time away from home attending institutes or on Company business, computed on the fastest method of travel. Motion seconded by Jess Urresti. Motion passed.

NOVEMBER BOARD MINUTES

16 Thomas Achurra moved that the nine memberships from Wells and the seven from Wendover be approved. Seconded by Lourinda Wines. Motion passed.

Rural TV was brought up by Robert Wright. A new proposal for supplying a signal from Nevada TV stations is to be made.

Managers Report: Due to the change Idaho Power made in their sub-station the fault current is too high for the 7200 volt reclosers. We have ordered 12 new ones.

We received a request to subscribe to the management quarterly published by NRECA.

Robert Wright moved that we subscribe to the management quarterly. Motion seconded by Jess Urresti. Motion passed.

A letter from Snake River Power Association stated that our membership was approved and that we should appoint a representative and alternated.

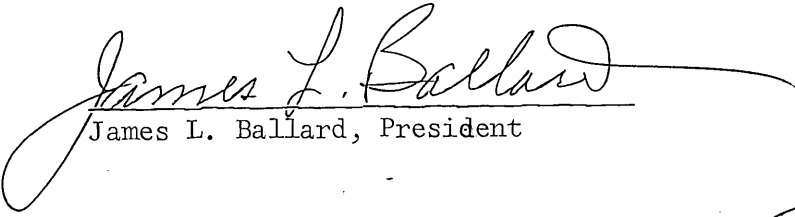
George Blackett was appointed as representative with Fred Toombs alternated.

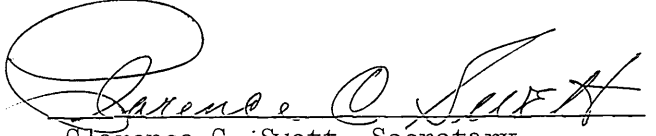
Notice of Mt. Wheeler annual meeting on December 4 was received. George Blackett and Fred Toombs will attend with anyone else who wishes to go.

A letter from the City of Wells was received in which they asked to meet with the Board to see about working up a master plan for street lighting. This will be put on the next agenda.

Program is underway to develop a Liquid Metal Fast Breeder Reactor. They are asking for pledges for the development. More information is to be obtained.

Meeting adjourned at 4:40 P.M.


James L. Ballard, President


Clarence C. Swett, Secretary

MEMBERSHIPS TO BE APPROVED

NOVEMBER 19, 1971

WELLS

1. George J. Blatnik
2. William E. Dial
3. James Fetterly
4. Michael Glaser
5. James W. Green
6. Leonard S. Justice dba. Justice Core Drill
7. Berny Owen
8. David Sanders
9. Patrick Schlager

WENDOVER

1. Terry L. Clarke
2. Joe Dean
3. Shirley Eastland
4. Gary E. Mehlsack
5. A. J. Williams
6. Gordon O. Wilson
7. Jim Woolf