

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

October 24, 1975

The meeting was called to order by President, Jim Ballard in the Wells office of Wells Rural Electric Company at 1:00 P.M.

Those present were: Bill Gibbs, Ray Crawford, Jess Urresti, Glenn Wadsworth, Bob Wright, Gene Pengelly, Vernon Dalton, Clarence Swett, and Jim Ballard. Also present was Don Snyder, General Manager. Art Grock and Tom Achurra were absent.

There were some changes in the wording of the minutes of the last meeting. The minutes were approved as corrected.

Additions to the Agenda: Jess Urresti wanted to be put on the agenda; as well as Bob Wright with Minutes and Agenda, and Glenn Wadsworth with Ballots.

The Manager was commended by President Jim Ballard for the Basic Electricity Course that is being offered to the employees.

Construction: The Manager reported. The equipment for the installation of the Wendover water pump is starting to arrive, it will be approximately 45 days before we will start construction on the job. Construction is progressing on the Devil's Gate line and the BLM permit has been received.

Carlin/Pine Valley: No news from the City of Carlin or the Attorneys. The Manager is checking on the possibility of new BPA contracts permitting us to wholesale energy. This would be a possible alternative in lieu of purchasing Carlin's municipal system.

New Service Center: A dedication and an Open House of the new building will be held on November 16, 1975 at 1:30 P.M. Reverend Robert Wells, Presbyterian Minister will officiate at the Dedication. Refreshments will be served later in the afternoon.

Raft River Intertie: The Manager reported on the meeting he attended with Raft River and REA engineering personnel during the Region 9 Meeting in Salt Lake City. Long range studies of Raft River and Wells Rural consulting engineers indicate the feasibility of a transmission tie between the two systems. Charles Fitch, REA Area District Director was at the meeting and admonished both Cooperatives to look into the future as they plan this line.

Hydro Plant: All apparatus has been removed from Forest Service land. We expect a formal release from the Forest Service before the end of 1975.

Director's Retirement: The committee will give their report at the November meeting.

1976 NRECA Annual Meeting: It will be held on February 1st through the 5th in Anaheim, CA. Reservations have been made for Mr. & Mrs. Vernon Dalton, Mr. & Mrs. Gene Pengelly, Mr. & Mrs. Clarence Swett, and Mr. & Mrs. Don Snyder.

C.F.C.: The most recent investment certificate Wells Rural Electric Company has with C.F.C. was presented to the Board. This certificate is for the amount of \$10,551.89 and bears 3% interest for 50 years.

Basic Electricity Course: Clarence Swett commented on the course. The Manager mentioned the excellent turn out. There will be a review on November 3rd and a regular class on November 24th. The value of this course to all employees was stressed. A letter of thanks will be sent to General Electric Company for making Hal Christensen's time available for this course.

REA Accounting Course: The Manager outlined a REA Accounting course which is available through the United States Department of Agriculture. The course takes one year to complete and costs \$109.00. The Company has agreed to pay \$59.00 and the employee will pay \$50.00. If the employee completes the course in two years and receives a passing grade, the Company will reimburse the \$50.00. GENE PENGELLY MOVED TO MAKE THE ABOVE INTO A MOTION AND JESS URRESTI SECONDED. THE MOTION CARRIED.

N.W.P.P.A.: North West Public Power Association sent out the 29th Annual Benefits and Wage Survey. The survey was completed in October and contains data collected from all electric companies in the Northwest. Our wage scale is behind. The average for the Pacific Northwest is \$7.37 per hour for a Journeyman Lineman and the Wells Rural pay scale is \$6.22 per hour for a Journeyman Lineman. All information received will be turned over to the Cost of Living Committee. Art Grock is the Committee Chairman.

N.R.E.C.A.: Retirement and Security: Four items have been changed because of changing federal laws pertaining to Retirement and Security Programs. The Board of Directors has to indicate which one of the four possible selections concerning the time when employees will be eligible to begin participating, inasmuch as previous changes by the Board permitted any employee to be eligible after his normal probationary period. BOB WRIGHT MOVED TO SELECT THE ONE MONTH WAITING PERIOD FOR THE RETIREMENT AND SECURITY PROGRAM. The previous board policy does overrule the present N.R.E.C.A. selection so the Wells Rural Electric policy will still apply.

Policy Manual: Pages 1 through 29 of the policy manual were reviewed, changes and corrections were noted on each page. All changes and corrections will be itemized for Board approval when the Board completes the review of the entire policy manual. Pages 30 through 51 will be reviewed in the November meeting.

The taking of the minutes was discussed. The present method is cumbersome and subject to error. Therefore it was unanimously agreed to have Tina Ludwig, secretary take the minutes of the future meetings at the meetings.

The subject of Director compensation was brought up by Bob Wright. VERNON DALTON MOVED THAT DIRECTORS RECEIVE COMPENSATION FOR ATTENDANCE OF REGULAR AND SPECIAL BOARD MEETINGS COMPARABLE TO THE MID-POINT OF THE MANAGER'S PAY SCALE. THIS INCLUDED WHAT EVER PER-CENT OF FRINGE BENEFITS THE MANAGER RECEIVES. GENE PENGELLY SECONDED AND THE MOTION PASSED. This particular policy will be rewritten by the Manager and presented at the November board meeting.

Bank Building: Wells TV Inc. is looking for a building and they would like to buy or lease the bank building. The original cost of the bank building was \$6,927.89 in 1960. The price to ask was discussed. VERNON DALTON MOVED TO OFFER THE BANK BUILDING FOR SALE FOR \$7,500 AND TAKE NO LESS THAN \$5,000 TO WELLS TV INC. IF THEY WOULD RATHER LEASE, OFFER IT AT \$150.00 PER MONTH WITH NOTHING FURNISHED. GENE PENGELLY SECONDED AND THE MOTION CARRIED.

BPA-Idaho Falls District Meeting: The meeting will be held in Burley, Idaho on November 20th. It is concerning the power supply in this area. It was decided to leave that morning in a twin engine airplane from Elko, from the Wells airport. Gene Pengelly, Bob Wright, Vernon Dalton, Jim Ballard and Don Snyder will be attending the meeting.

Service Department: The Manager presented the profit and loss statement of the Service Department. The statement indicates that through September of this year we are \$2,863.00 in the black. The work load is piling up and the Manager stated that the addition of another service man may be necessary. The Manager will continue to review the Service Department operations for 60 to 90 days before he makes a decision as to whether an additional repairman should be employed. The Manager also stated his views concerning the Company selling home appliances and electrical heating. After considerable discussion, BOB WRIGHT MOVED TO HAVE THE COMPANY INCLUDE THE SALE OF HOME APPLIANCES IN THEIR OPERATIONS. IT WAS SECONDED BY GENE PENGELLY AND THE MOTION CARRIED.

Jess Urresti submitted his resignation as a Director of Wells Rural Electric Company to the Board of Directors. He stated that he had sought employment by Wells Rural Electric Company and that he had been accepted as Appliance and Sales Manager and Safety Supervisor. His employment was contingent upon his resignation from the Board of Directors.

Bob Wright requested more complete information be printed in the agenda and in the minutes, concerning the various items on the agenda and in the minutes. The Manager agreed to do so.

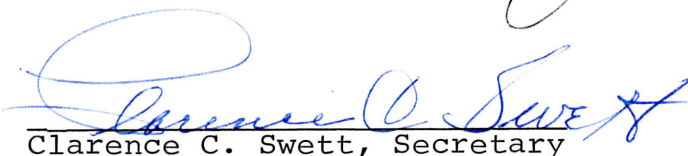
Director Glenn Wadsworth questioned why Kaiser Chemical did not receive a ballot for the last Director election. The reason was that they do not have a membership.

Memberships: BOB WRIGHT MOVED TO APPROVE THE 11 WELLS AND 15 WENDOVER MEMBERSHIPS. VERNON DALTON SECONDED AND THE MOTION CARRIED.

The next board meeting will be held on November 21, 1975 at 1:00 P.M.

The meeting was adjourned at 6:45 P.M.


James L. Ballard, President


Clarence C. Swett, Secretary

MEMBERSHIPS TO BE APPROVED

OCTOBER 24, 1975

WELLS

1. Valerie Dick
2. Monique A. Grabner
3. Dixie A. Juan
4. Gary Lemons
5. Ruth McQueen
6. Phillip Mariluch
7. Gary A. Martin
8. Dan Peterson
9. McCormick Bros. & B. J. Garrett
10. Howard Shreve
11. Bruce A. Thom

WENDOVER

1. Lori Blatnick
2. Michael Brannin
3. Danny Coomer
4. Kevin Davis
5. Scott Gentry
6. Kenny Hinton
7. W. J. Holstead
8. Edna Jones
9. J. F. Kaylor
10. Dee Marshall
11. Dan McKnight
12. Michael Norton
13. Karon Sprouse
14. Kathy F. Williams
15. Rocky Wood