

REGULAR MEETING OF THE BOARD OF DIRECTORS

OF

WELLS RURAL ELECTRIC COMPANY

15 SEPTEMBER 1967

A regular meeting of the Board of Directors of WELLS RURAL ELECTRIC COMPANY was held in the Company office in Wells, Nevada on 15 September 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: JAMES L. BALLARD, ROBERT R. WRIGHT, CLARENCE SWETT, C. C. READ, VERNON DALTON, MRS. J. B. WINES, RAY CRAWFORD, TOM ACHURRA, ARTHUR GROCK, AND EYER BOLES.

Absent was Matt Smith.

Also present were Manager Blackett, F. T. Murphy, Fred Toombs, Frieda Hollibaugh, and Attorney Vaughan.

The minutes of the last meeting were approved with the following corrections: on page 3, paragraph 5, sentence 3: "Idaho Power offered a refund to the Company of \$38,000.00." and sentence 5: "Attorney Vaughan also brought out that this would not be retro-active, and was unacceptable to Wells Rural Electric Company."

President Wright announced that Dinty Moore was given a shotgun for retirement from the Company. The gun was there for the Board to see.

Frieda Hollibaugh gave her report for the Nomination Committee. The following names will appear on the ballot in this order: Matt Smith, C. C. Swett, James Ballard, Joseph E. DiGrazia, Ronald Wetzell, Roy Smith, M.J. Dahl and Denny Procter. The latter two names were submitted by the Committee as ineligible as they do not hold personal memberships nor are they corporate members. It was decided that their names be approved at this meeting.

MOTION made by James Ballard and seconded by C. C. Read that the new memberships be approved. Passed.

MOTION made by Vernon Dalton and seconded by Tom Achurra that the report of the Nominating Committee be accepted including the names of Jeff Dahl and Denny Procter.

Attorney Vaughan passed to the Board Members a report and recommendations with 6 schedules prepared by the FPC staff. The report concerned Wells Rural Electric Company - Idaho Power Company, Federal Power Commission Docket No. E-7229. The report was then explained and discussed. Mr. Blackett mentioned that he would hear from Bob Hogg the first part of next month.

Manager Blackett said he contacted the Commission last week regarding negotiations for more power and what affect this would have on the hearing. The Commission said there would be none. Attorney Vaughan mentioned that the first case will still go to hearing regardless of the outcome of the negotiations.

MOTION made by Vernon Dalton and Clarence Swett seconded that the recommendations of Attorney Bob Vaughan be accepted. Motion passed.

RECOMMENDATIONS OF ATTORNEY VAUGHAN:

1. That the present offer of Idaho Power Company be rejected.
2. That any offer made by Idaho Power Company that does not come within 65% of the staff recommendation be rejected.
3. That should an offer be made which reaches 65% of the staff recommendations, that the Board make a further decision as to any action thereon.
4. That if an acceptable offer of compromise is not reached, the Company attend and participate in the hearings thereon, with further authority of your President and Manager to hire necessary engineering consultants, legal counsel and expend necessary sums for preparation of exhibits and the preparation for hearing.
5. That attempt be made to secure REA approval of the foregoing position and if the position is disapproved further action be taken by the Board.

MOTION made by Vernon Dalton and seconded by Mrs. Wines that we leave the \$140,000.00 in and get approximately a half a mill to a mill reduction in return. Motion carried with one opposition.

Attorney Vaughan then presented another report with a map of 92 locations for new power sources. Manager Blackett and Ed Kipp plan to go over this. The fees for Robert Vaughan and committee for this project would be \$400.00 to \$500.00.

MOTION made by James Ballarda and seconded by C. C. Read that we go ahead and pay the cost of the committee survey for the Tuscurora and North Fork area. Motion passed.

Fred Toombs made his report on Power Use. Joe Quilici is chairman of the housing project. They will build three new all-electric homes. Boise Cascade seems to be the leader in the field and may build these homes.

Fred read a letter from Mr. Elmo J. DeGicco, He has a Nevada Water Conference scheduled for the 21 of September and regrets he cannot accept our invitation. However, he left word with his secretary that he would like to come next year and would cancel a previous engagement if the need be.

Hillery Barnes will put in one stock water pump in Jiggs.

Concerning the sale of the building in Wendover Fred reported that the interested purchasing parties have been contacted. Fred told them the appraised value of the building. It will cost \$350.00 to purchase the new property and we would have to move the buildings on it. Ray Crawford is familiar with these buildings and he reported that it would not be very difficult to move them.

Fred is going to find out what the owner wants done with the buildings.

The Annual Meeting was discussed. Attorney Vaughan will be the speaker. The prizes are here. The schedule of the meeting will be approximately like the one last year. Ross Glay will bring in some of his graphs on power sales to display.

The Utah Public Service Commission is pushing Mountain States Telephone into getting telephone service in the Irapah area and in the very near future will force one of the power companies to serve the area with electricity.

Manager Blackett announced that the data processing report will be mailed to the Board members next week.

Earl Toombs, Tom Mease, Howard Gibson are at an employees school put on by the Chance Company. Archie will go to a meter school in Seattle Monday to Friday of next week.

Names for the Election Committee are as follows: Gene Pengelly, Blaine Sharp, Warner Mitchell, and Peggy Shea.

MOTION made by James Ballard and seconded by Tom Achurra that the people mentioned above for the Election Committee be contacted. Motion passed.

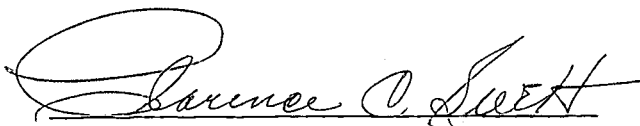
President Wright asked the Board how they felt about sending Christmas Cards to all consumers. The cost would be \$110.00. The board agreed that the cards need not be sent. We already have the Christmas Lighting contest and give prizes for it.

MOTION made by Arthur Grock and seconded by C. C. Read that Eyer Boies, Vernon Dalton, Ray Crawford, James Ballard, and Robert Wright have permission to attend the Region 9 Meeting and Advanced Institute Lab I. Passed.

A closed door discussion on the Wage & Salary report of Mr. Aultz was had.


MOTION made by Eyer Boies and seconded by Ray Crawford to accept Mr. Aultz's report with the addition that "Steno-Clerk wage be subject to regular pay increase." and that "the paragraph be omitted concerning standby pay for two men". Motion passed.

MEETING adjourned at 4:10.



Clarence C. Swett, Secretary

APPROVED BY:


Robert R. Wright, President

WELLS RURAL ELECTRIC COMPANY

WELLS, NEVADA 89835

MEMBERSHIPS TO BE APPROVED SEPTEMBER 15, 1967

Wells

Troy Allen
Jack Anderson
Jack N. Andreasen
John G. Blecka
Fred Lichens
D. H. Procter
Rex Sprague

Wendover

William Bird
Zenas Burrows
Francis Giles
Ruth Gray
Robert L. Hawkes
Glen L. Hepner
Kay M. Leishman
Chris Thompson
Dorothy Zalewski