

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

September 17, 1976

The meeting was called to order at 1:15 p.m. on September 17, 1976, in the board room of Wells Rural Electric Company. President James Ballard presiding.

Those present were: Jim Ballard, Clarence Swett, Gene Pengelly, William Gibbs, Vernon Dalton, Tom Achurra, Art Grock, John Krenka, and Ray Crawford. Glenn Wadsworth and Robert Wright were unable to attend. Present from the staff were: Bud Calton, Pat Nolz, Joe Ward, Richard Loveland, Ellie Rutherford, and Bobbi Samuels.

There were no corrections to the minutes. They stand approved as written.

Report of the Election Committee: Jim Ballard read the report of the Election Committee. Gene Pengelly, Clarence Swett, and Jim Ballard were re-elected. GENE PENGELLY MOVED TO ACCEPT THE REPORT OF THE ELECTION COMMITTEE. CLARENCE SWETT SECONDED THE MOTION AND IT PASSED UNANIMOUSLY.

Board Officer Election: Nominations were open for the offices of President, Vice President, and Secretary Treasurer. JIM BALLARD WAS NOMINATED FOR PRESIDENT BY CLARENCE SWETT. THE MOTION WAS SECONDED BY TOM ACHURRA. VERNON DALTON WAS NOMINATED BY GENE PENGELLY FOR VICE PRESIDENT. THE MOTION WAS SECONDED BY BILL GIBBS. CLARENCE SWETT WAS NOMINATED FOR SECRETARY TREASURER BY GENE PENGELLY. THE MOTION WAS SECONDED BY BILL GIBBS. There were no other nominations. The officers of the board are: Jim Ballard - President; Vernon Dalton - Vice President; and Clarence Swett - Secretary Treasurer.

Construction: Joe Ward reported that lightning struck the sub-station early Wednesday morning and burned out 3 CT's, possibly 6. He also announced that the Hot Line School will be held September 29 & 30. He invited all the directors to come to the school.

Hydro Plant: Clarence Swett reported that the Bicentennial Committee has decided they would like to move the plant and the building it is presently housed in to the park. The committee is still looking for a mover to move the plant and the building.

Raft River Intertie: Vernon Dalton didn't feel that the report received from Mr. Dixon really stated our feelings of what went on at the meeting in Malta. Vernon thought it would be a good idea to write up our own report of what we felt was accomplished at this meeting and send it to Martin Derksema.

Rates, Rules, and Regulations: All membership certificates are not out yet. Bob Vaughan will be notified as soon as they are mailed. Our Rotophase policy was also discussed as to whether we would supply our customers or if they have to buy the Rotophase unit themselves. TOM ACHURRA MOVED THAT WE WILL NOT BUY A ROTO-PHASE UNIT FOR ANY CONSUMER. GENE PENGELLY SECONDED THE MOTION AND IT PASSED.

Budget: Pat Nolz explained why there was such a difference in the Administration and General Expenses for 1974 & 1975. She explained that the Auditor's report added \$12,000 to the 1975 budget. She also added there was a great deal of maintenance that year and a 5% increase in wages.

Selection of a Manager: Gene Pengelly reported that we had a total of 21 applications for General Manager. We will interview six candidates on Sept. 24. They are: Eugene Collins of Apple Valley, California; Dave Highers of Athens, Texas; Robert Plotner of West Mansfield, Ohio; Herbert Bartron of Norwalk, Connecticut; John Mohlman of Mesa, Arizona; and Charles Case of Washington, Indiana.

Annual Meeting: It was felt by the board that our Annual Meeting was not very successful this year. They did feel that the program was a success, but attendance was poor. The board discussed reasons why the attendance was so low and ways to improve our Annual Meeting from now on. The board decided to start planning now for next years Annual Meeting. A committee of Vernon Dalton, Chairman; Gene Pengelly, Ray Crawford, and Bud Calton was selected to start planning the Annual Meeting.

Region IX Meeting: Final plans were made for attending the meeting in San Diego.

NRECA Annual Meeting: The NRECA Annual Meeting will be held in Atlanta, Georgia, on February 21-23. Management Courses will be held the 18-20. The board felt that other co-ops in Nevada might be interested in securing a block of rooms for this meeting. Those planning to attend are Vernon Dalton, Jim Ballard, Ray Crawford, Gene Pengelly, and Art Grock. The board felt that the new manager and some of the employees should attend this meeting.

REA Loan: This was tabled until the meeting of September 24.

Analysis of By-Laws: Jim Ballard read a letter from Bob Vaughan concerning the changing of the By-Laws. Jim stated that everybody should go through the By-laws and write down what changes they would like to make and be able to discuss these at the October board meeting.

Wendover Apartment Repair: The board discussed the repairs that would need to be made to make the apartment rentable. It was estimated it would take \$5000 to make the necessary repairs. The board discussed whether the apartment should remain an apartment, rent it as an office, or tear it down. The board tabled this matter until costs for repairing and costs for demolishing it could be presented. Ellie will report at the next meeting.

Wiring in Warehouse: The wiring in the warehouse in Wendover is inadequate. The board decided to have Jess Urresti and the service crew along with Howard Gibson take care of re-wiring the warehouse.

Sign at Wendover: A sign has been purchased for the office at Wendover. It is not illuminated and cost \$60.

Donation to Wendover School: The school has asked for a donation to help them purchase an activities sign. The board discussed the donations that have been made to Wells school and Wendover school. RAY CRAWFORD MOVED THAT WE DONATE \$300 TO HELP THE SCHOOL BUY THE SIGN. GENE PENGELLY SECONDED THE MOTION AND THE MOTION CARRIED.

Employment at Wendover: Joe Ward reported that we need to hire a helper for Howard Gibson. He recommended that we hire a groundman to start training under Howard. The board agreed to hiring this man in Wendover.

Surplus Communications Equipment: Bud reported that we have the old radio system that we are not using. We have had calls about this equipment. Our total costs into this equipment is \$4655.49; \$3785.09 from Wells, and \$870.40 from Wendover. The board decided to put this equipment up for bids. It will be advertised in newspapers in Twin Falls, Salt Lake City, Ely, Elko, Reno, and Wells. Bids will be opened at the next board meeting.

4-H Beef: Vernon Dalton reported that we bought a beef at the 4-H Livestock Sale at the Elko County Fair for \$500.33 or 53¢/pound.

Steve Wright's Line: Vernon Dalton reported that Steve Wright wants the line to 1 of his pumps moved and feels it is our responsibility to do so. He was promised by one of our employees that we would move this line if he wanted it moved because it was not put where he wanted it when it was installed. Vernon noted that our policy states we will not move lines, but felt that in this situation we were obligated to do so. GENE PENGELLY MOVED THAT WE MOVE STEVE WRIGHT'S LINE. TOM ACHURRA SECONDED THE MOTION AND IT CARRIED. The board stated that we should make sure other situations like this do not arise.

Fiduciary Liability Insurance: Bud reported on this insurance and explained who and what it would cover, but he did not have the cost yet. The board decided to table this until we had more information on the cost and necessity of this insurance.

Acting Manager's Report: Vernon Dalton reported that the cost of living wage increase will have to be decided at the December meeting. An OSHA inspector was here and could not find any major faults with the company. He felt the employees should be commended on their job of keeping the company this safe. In the meter department Vernon felt that we will have to hire someone to start training to read the meters. We presently use Steve Loveland and Buddy Welsh out of the office to help read meters every month. It was felt this matter should be tabled until the new manager arrives to see what his feelings are on this. Vernon stated that the employees have asked to have a music system put in the office building. He felt we could use some of the money from the sale of the communications equipment. The system would consist of an FM receiver with speakers in separate rooms and will cost between \$300-500; the employees will install the system. GENE PENGELLY MOVED THAT WE BUY A MUSIC SYSTEM FOR THE OFFICE. RAY CRAWFORD SECONDED THE MOTION AND THE MOTION CARRIED. Art Grock opposed the motion. The Hot Line School will be held September 29 & 30. Vernon urged all the directors to come and see what happens at this school.

WPPSS 4 & 5: The board discussed whether we should enter into this agreement. A letter was also read from Bob Vaughan concerning this. The board felt it was a good idea incase we didn't need all our energy or if we needed more energy than we had. GENE PENGELLY MOVED THAT WE ENTER INTO THE AGREEMENT WITH WPPSS 4 & 5. JOHN KRENKA SECONDED THE MOTION AND THE MOTION CARRIED.

Memberships to be approved: RAY CRAWFORD MOVED THAT WE ACCEPT THE 14 NEW MEMBERS FROM WELLS AND 27 FROM WENDOVER. BILL GIBBS SECONDED THE MOTION AND IT CARRIED.

The meeting was adjourned at 5:10 p.m.

  
JAMES L. BALLARD, PRESIDENT

  
CLARENCE C. SWETT, SECRETARY