



WELLS RURAL ELECTRIC CO. has provided tremendous value and reliable service to members for the last 60 years. While the WREC Board of Directors is proud of that legacy, we also take very seriously our responsibility to set a path that ensures WREC's success for the next 60 years. With that task in mind, we are excited to announce the construction of a new operations facility, to be completed by next spring, that will allow WREC's line crews to continue to match the level of reliability and responsiveness our members have enjoyed for decades to come.

The current facilities no longer meet the cooperative's needs. The buildings cannot accommodate the size of modern equipment, the size of WREC's fleet or WREC's personnel and workflow requirements. The current main operations building is roughly 45 years old while the meter shop was built in 1948. Those buildings are antiquated and expensive to maintain with little more to offer in the way of renovations. WREC employees have done a tremendous job getting every ounce of usefulness out of the current facilities and we are thrilled with the return on investment they've delivered. At this point, building the new facility is the right choice for the cooperative.

This new building will be located on ground already owned by the cooperative right next to the office building in Wells. At a cost of roughly \$8 million, the Board understands the size and significance of this investment to the members we are elected to represent. We spent close to two years seriously evaluating the effectiveness of current facilities, cooperative needs both now and in the future and all possible solutions to meet those needs. The new facility will consolidate WREC's operations employees under one roof, offer better security for WREC employees and equipment and, perhaps most importantly, provide ample space to accommodate the equipment necessary to maintain reliability with room to grow.

As mentioned, the decision to build this new facility is not just about current needs; it's an important investment in the company's future. Whether we build now or in 10 years, WREC is going to need this new facility in order to serve its membership effectively. Given current construction costs and interest rates, the Board has chosen to move forward with this project and we are excited about what it means for the service provided by *our* cooperative.

Your Board of Directors,

Quida Madison Bobi Kidner Monte Dill Jim Skelton
Gene V. Carlson Ken Dill Jim Spanna Robert A. Wilcox
Brunswick F. Scott Egbert Fred Montecarlo