

Interview with Tommy Bozka

Interviewer: Karen Yancy

Transcriber: Karen Yancy

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Location: Mr. Bozka's Home, Shiner, TX

Begin Tape 1, Side 1

Karen Yancy: This is Karen Yancy. Today is July 21, 1987, and I am conducting an oral interview with Mr. Tommy Bozka, director of Guadalupe Valley Electric Cooperative [GVEC].

Why did you become a director?

Tommy Bozka: Well, I imagine because I was such an irate member. (Bozka and Yancy laugh)

So, you don't know what you are until you join them. No, I've always been interested in it, and electricity, as you know, is the livelihood of my business out here. I was approached by the chairman of the board several years ago, probably prior to the retirement of Cap Allert [Mr. R.L. Allert], who was director of this district, and he asked me if I would be interested because he heard that the water cooperative was interested, wanted me to be a director, and he says [I] might wait and see whether this transpires or not, and I could kind of weigh which I would rather be on, and I decided I would just play the time and see if GVEC [was a possibility], and fortunately enough I was chosen to fill an unexpired term of a director [Allert] who had retired. And since then, it has been three different times, nine years, I've been elected.

Yancy: What experience did you bring to the board of directors?

Bozka: Just practical knowledge of uses of agriculture on a farm and ranch. The importance of it, I mean—with the poultry industry that I have well—you take now with about a half million birds, and if the electricity goes off, well, it costs me a fortune to lose power, and in those days we pumped our own water, and we spray water on them and fans, you know, and stuff to keep them cool, and just how essential and necessary it is to have good, reliable service.

Yancy: What kind of time commitment is involved in being a director?

Bozka: Well, first of all you've got a commitment towards your members who you serve, and second of all, you have a commitment towards the employees and management to see that everything runs smoothly and in a harmonious way.

Yancy: How long does it take to prepare for a meeting? When you get the agenda and the materials—

Bozka: Oh, I usually get the agenda, say, like on Thursday, and I read it, then I'll think about it, you know, for one afternoon for an hour or so, and being that I'm here at the home office, just like this morning I went in and picked up an appliance that I ordered, [and] while I was there, I talked to the administrative assistance, Marcus Pridgeon, and asked him what's new, and we sat down and visited. But I'll go in approximately once or twice a month to visit with Doyle or somebody there or Leon and just find out what's going on, and then, of course, you're also associating with the members that call you and just everyday coffee shop talk, too.

Yancy: How often do members call you about problems?

Bozka: Ooh, just depends on how many ideas we've got. Most of the people think that I've got a set of hooks and want me to crawl a pole at night. No, I would say on an average of approximately once a week or twice a week. It's not necessarily calls, but they'll talk to you about different [happenings and projects] or maybe more than that; it just depends. If things are running smoothly, no one has anything to say, but if things are in turmoil or if rates are going up, well, they'll ask you more. You know, stuff like that.

Yancy: What are your responsibilities as a director? What are your week-to-week commitments?

Bozka: Just the hiring and managing the hiring of the administration to run the Co-op and to make the policies and decisions to—I guess our biggest responsibility is to see that we furnish good, reliable source of electricity at the lowest cost we possibly can and the things that we can serve our members within the rural area that they can't get because of the sparsely populated area, such as like we're probably going into a phase now of telecommunications and satellites and stuff like that, which isn't available. Just primarily, we as a board do not run the Co-op. We hire our administrative people to run the Co-op, and through our input to them, what we get and everything is what the management derived from that [information], through their stuff that they furnish us is what we do and make our decisions as a board to—I think probably the biggest responsibility is to work together as a harmonious board, to keep everything running smooth.

Yancy: I know you get a stipend, but what kind of personal satisfaction do you get as a representative of the Co-op members?

Bozka: What kind of personal—

Yancy: Um-huh.

Bozka: —that I get.

Yancy: What kind of personal satisfaction?

Bozka: I guess the personal satisfaction that you get is to know that you have one hell of a good co-op because everywhere we go and every seminar and every place I've attended in any of the meetings or annual meetings, I'm just amazed at how little other directors know. One instance

here, several years ago when we were in California at our annual meeting, Borgfeld, Lewis Borgfeld and myself were at this meeting with the people from McDonald Douglass, and we were putting in our load management, and they were just amazed that we as directors knew so much, but it was through the information that we received from our co-op, and when you go to the seminars and you listen to these other people talk, well, this is things that we've done years ago. And you know, everybody knows; you're the envy of everyone else. Of course, you're also the spite of everyone else also, and you know, they're jealous of you. And I think that's the satisfaction that I've got. The biggest satisfaction that I've got is know[ing] we've got a well-run, well-managed co-op [and] that the people are satisfied. You're going to have your so-and-so out here and so-and-so here that is going to be a total bicker all the time, but I've always said, What you need to do is go out there about once a month and pull the switch. And I said, Make them squirm and then they'll appreciate you again.

Yancy: That's true.

Bozka: But that's the way I feel. You know, we're in a—we've had very little trouble with the native people here, but it's the people that move in, the retirees, that've been living in the city, that it's their right that they've got that power in that line, and through Mother Nature, there's a lot of times that we have problems that can't be averted.

Yancy: Yeah.

Bozka: —Can't get to them and you know, but they've grown accustomed to it, dependent on it, I guess.

Yancy: Other co-ops tend to have very argumentative board members, but GVEC doesn't, and this is a mark of a successful enterprise. In your opinion, why doesn't GVEC experience these problems? Is it the relationship the board has with management or some other source?

Bozka: I think it's the relationships we have with management, and I think it's by running a tight ship that you don't get yourself off in a storm. We have our disagreements, and I'll probably be one of the most to disagree, bring up instances that—we're not argumentative. We discuss our opinions. We'll say what we need to say, and then we sit down and negotiate and talk and work it out, and there's a lot of things are done that several members don't approve of or maybe done one way or the other, but it always ends up in a harmonious way, and there are no grudges back about what's being done, and no one comes back a year or so later and says, See, I told you so. It's a board decision when there's a decision made, and I think it's through the information we've received through management and the knowledge that we have of the working of a co-op, where every director knows what's going on. We talk about something. We know where it is. We know what the deal is. If not, they'll ask, and we try to, our new directors and our incoming directors encourage them to go to those mini-seminars right at first as they can so they know what's, you know, people are talking about. And it's through some of the—I learned a lot by

being a director. I've learned how to get along with people. This is some of the phases of psychology that I've picked up in some of these seminars that I've attended, where normally I'd be out here a hard-headed fellow, you know, but I've learned that you, that there's eight other fellows that we've got to talk about.

Yancy: What are the aspirations of the board?

Bozka: Uh, in what ways?

Yancy: Uh, long-term.

Bozka: Long-term, I guess our biggest goal that we have right now in our long-term deal is the independence that we've just acquired from the REA [Rural Electrification Administration], whereas, we ourselves are financed now through private enterprise and to probably bring ourselves closer to a non-reliance on loan money. Where we can build our equity up and we can do our expansion with in-house money. And if things ever negotiate where we would be in an equity system where we can [get to] the point of issuing bonds on ourselves someday rather than in financing. Then there's just a multiple of things with our two- [and] five-year work plans. We stay up and abreast with that. Right now, we're in a big process of associating with approximately four, I think it's four or either five, water cooperatives through our membership in CFC [Cooperative Finance Cooperation]. We are going to be the lending agent for these water co-ops—and because we realize that where there's, like out there I used to have about 150,000 chickens because I had bad sulfur water, and immediately when I got good water which wouldn't, you know, with sulfur and salt—we put in more chicken houses because water is—you aren't going to sell electricity if you don't have a house there or if you're not going to have any kind of building there. Electricity is just not going to run on a fence post or a cow pasture other than a water trough, and you have to have water, and we're backing these water cooperatives at no expense to us but also no income to us. We're just going to be the clearinghouse rather than them going through the FHA [Federal Housing Administration] and something, and that's our biggest thing, and then possibly in the future with satellite communications where we will buy—they will join us, and they'll buy their own system or either through us or lease purchase, and they'll have their own dish, and they'll buy the descrambler and rent it from us for so much like cable television.

Yancy: GVEC has a good consumer relationship. To what do you contribute this goodwill?

Bozka: I guess—

Pause while washing machine is turned off. Yancy repeats the question.

Bozka: The services that we've rendered to the people in the past. They've got trust in us. Also that there are no surprises sprung on them; that they're constantly well-informed.

Yancy: In talking with GVEC employees, the Co-op seems to be one big happy family. What do you think of using the word “family” in the book's subtitle to describe GVEC?

Bozka: Uhh—I really wouldn't know. I would say that as far as saying family, that would have to be decided by people who are more involved in it than me as a director.

Yancy: Yes, but as a general word describing the Co-op.

Bozka: It is essentially a family of electric users is what it would be because the people really don't—I don't know if they really feel like they're really truly a family or a member or what. You know, there's a lot of people that do, but a lot of people are just paying their bill. I've got to have it. Other than that, it could apply in many ways.

Yancy: What do you see as the future of GVEC?

Bozka: Just bigger and better, I would think. That's what I hope. I hope we can branch out into furnishing other non-electrical services, and in doing so it will probably create better load advantages for us—the better load advantage we have, well, the cheaper electricity will be and pass on to our people. Our load management system was one of our big steps. I failed to mention that a while ago. We'll probably—as soon as the South Texas Project comes in and some of the other people around will have rate increases, and with our load management steps that we have been taking in the past, and we're in phase two or three, going into it now—we'll probably have the cheapest electricity anywhere in the United States, and we've got one of the largest grids of electricity through having the South Texas Nuclear Project, atascocita coal, lignite coal, San Migulen, it's in hydropower and gas and everything like that. We've got a strong, strong area of electricity where it would be one heck of a load before we ever brown out.

Yancy: You mentioned earlier that when you attend seminars that a lot of the other directors are talking about programs that y'all have already initiated years ago. To what do you contribute that you have already taken it? Is it management, just keeping informed or abreast?

Bozka: I would think that the management that we have had was just like when I went on. I had no earthly idea what it consisted of, and immediately before the first board meeting, the general manager picked me up in the car, and we took off two days and rode around the system, and we discussed this stuff, and I was appointed in September or October. And in December, there was a management/directors update conference in Dallas, and the wife and I got in the car and drove up there and on Thursday, Friday, Saturday and went to it. And I was just amazed at what I'd learned over just a few little old lectures and stuff that I got, and from then on it just built up interest, and of course I don't know if everybody is like that, but I know I am. It was through management encouraging us to learn more about it so we would be more capable directors. There are some of our neighboring co-ops that have, I don't know if you're interested in this or not, but they change their directors every three years, and geez, it takes two or three years before you know what to do. And one of the things that impresses me a whole lot is there's a fellow up there that once said, "You know you can go out there and be spending a million dollars on some sophisticated system," and he said, "Everyone looks at one another, you know, and the manager

brings it up. Someone makes a motion, and everybody votes aye, gets it over with in two minutes.” He said, “But later on in the meeting, they come up and talk about buying a \$7.50 pair of work gloves,” and he said, “They argue over it for two hours because everyone knows that about a \$7.50 glove, but which is the best kind, which you use and which you—but no one knows anything about this other thing.” I’ve found that true, and I guess a big transition for me was going from few hundreds of dollars to a few thousands of dollars and now going into hundreds of thousands of dollars. You know, it’s mind-boggling for a fellow who doesn’t handle that kind of money. And that’s why investment procedures and things like that [that] you’re involved with that you do is; the way we use our money over the weekend and stuff like that. When collections are due on Thursday or Friday, that money is invested in short-term paper for forty-eight to sixty hours and then rolled over. It never dawned on me that this is going on.

Yancy: Well, that’s all the questions I have. Do you have anything else to add?

Bozka: Not a thing; that I’m just proud to be director of GVEC.

Yancy: Well, thank you for your time.

End of interview