

This is a DRAFT of the SCDC Annual Stockholder Meeting Minutes for February 6, 2023. The Board of Directors are posting these early so you can review prior to the 2024 Annual Stockholder Meeting to be held February 5, 2024, at the Syringa Hall in Sweet, Idaho.

**Squaw Creek Ditch Company (SCDC)
Annual Stockholder Meeting Minutes
February 6, 2023, at 7:00 P.M.
Syringa Hall in Sweet, Idaho**

Board/Officers/Legal:

President: Roy Moses
Vice President: Rick Link
Treasurer: Eric Fuller (Absent)
Secretary: Celena Berry
Attorney: Andy Waldera

Present Shareholders Signed In:

Arthur – 33	Avila – 2	Barker – 5
Bromgard – 14	Carlsen – 118	Carlson – 5
Cefalu – 3	Christensen – 5	Dalrymple – 4
Greg Drake – 75	Paul Drake – 30	Etchamendy – 2
Foruria – 21	Furst – 4	Gamble – 57
Ghiorzi – 5	Gibson – 35	Goode – 5
Gorley – 5	Hale – 27	Hamilton – 5
Haver – 6	Houbein – 1	John – 13
Johnson – 8	Kingan – 5	Karri Mann/Darby – 1
Link – 42	McKean – 6	Misnick – 7
Mondor – 3	Monticelli – 5	Moses – 97
Peters – 16	Rex – 4	Sanders – 3
Simmons/Condon – 1	Troutt – 1	Turner – 7

**Present shareholders signed in who are in good standing (in person, by proxy = counted votes):
662 total shares**

Proxies (accounts in good standing: by-for):

Barbara Avila for	Atwood – 2	Darnell – 11	Huston – 2
	Lane – 3	Lee – 5	
Roy Moses for	Beal – 4		

1. Meeting called to order:

The meeting was called to order by President, Roy Moses at 7:12 P.M.

2. Flag Salute:

The flag salute was completed.

3. Instructions for speaking/voting:

Roy Moses reminded the group to speak loud and clear and to announce themselves before speaking. He reminded shareholders that if they are not in good standing (whether in person or by proxy) their vote(s) will not be counted for items brought to a vote during the meeting.

4. Roll call:

The roll call was completed with each shareholder present announcing their name and current shares.

5. Special Announcement – thank you:

Anjie Waldner and Jenny Furst received a thank you for their time assisting the Board. Jenny was presented a plaque in appreciation of her dedication to the Squaw Creek Ditch Company.

6. Reading, correction, and approval of Minutes for Meetings held in 2022:

- Annual Meeting Minutes for February 7, 2022, were read by the Secretary
 - Sheila Turner motioned to approve
 - Harry Mondor seconded the motion
 - *Vote results: Unanimous vote to approve – 662 shares*
- Special Meeting Minutes for February 28, 2022, to elect the Board were read by Secretary
 - Andy Waldera identified this was voted by stockholders, not by shares
 - Tom John interjected to ask about meeting being a shareholder vs stockholder meeting
 - Andy Waldera clarified the term shareholder and stockholder were interchangeable and this is the Annual Shareholder and Stockholder Meeting
 - Recommendation by Andy Waldera was to maintain notes on file acknowledging this is counted by headcount instead of by shares
 - Vote to approve Minutes did not occur
 - Carolyn Hamilton motioned to move on
 - *Unanimous vote to move on – 662 shares*
- Special Meeting Minutes for November 17, 2022, were read by Secretary
 - Requested correction: Strike sentence in Item 2 Flood Grand – “1.5% loan was agreed to from IWRD?”
 - Requested correction: Item 3 Avila Demand Letter – Update phrasing of “Mrs. Avila lawsuit” should state “demand letter”

- *Vote results: Unanimous vote to include corrections of Special Meeting Minutes: 662 shares*

7. Reports from Officers:

- **Treasurer Report** – Secretary read Treasurer Report that included 2022 budget and 2022 actual expenditures
 - Question from the shareholders about how much is currently in reserve for the shareholders.
 - It was confirmed that the current reserve in the bank account was \$45k
- **Vice President/Ditch Rider Report** – Rick Link read the Vice President report and Ditch Rider Report
- **President Report** – Roy Moses read the President Report and requested the Secretary read correspondence between Mrs. Avila and Squaw Creek Ditch Company Board of Directors
 - Correspondence was read by both Roy Moses and the Secretary

8. Reports from Committees:

- Not applicable

9. Old and Unfinished Business:

- Concern shared by different shareholders regarding statements made during the meeting being personal and accountability needs to be had
- To Carlsen questioned how much money we have in total from last year's budget – total in the bank was \$45,000
 - Asked if there are plans to carry forward those funds into the new year
 - It was confirmed that the goal is to maintain a reserve and to apply some funds towards items identified for 2023 based on the shareholders' votes
- The \$250k Idaho Water Resource Board (IWRB) Grant was discussed to outline the \$125k (50%) cost share
 - Andy Waldera confirmed they (the IWRB) have removed convenience for termination language to ensure SCDC shareholders are protected should they need to terminate the Agreement
 - The Grant contract has been signed and it can be terminated if we cannot move forward with the matching funds
 - We have up to two (2) years to complete and if the Company is working in earnest and good faith, we can receive extensions if necessary
 - Andy Waldera clarified that the IWRB can provide additional time regarding the \$125k cost share grant for a \$250k total
- Sheila Turner asked what the footage of the SCDC easement is on both sides of the Ditch? It is twenty-five (25) feet from the water on both sides. The canal is

generally fifteen (15) feet. It can be as much as twenty-five (25) feet in high field areas from the top of the bank/top of grade.

- Barbara Avila requested time to explain to shareholders following the President's Report. Her statements were regarding the trees and that she has spoken with many Board members that she is not looking for money.
- LeAnn Carlsen addressed the Board stating that the President's Report was offensive because it negatively targeted some shareholders.
- Diane Etchamendy stated that she felt she was not supported during the time her husband contracted West Nile Virus. She received a letter regarding her fees when she was dealing with extensive medical bills. Joyce Arthur asked if Diane had contacted the Board regarding her hardship and Diane advised she had not.
- Shareholders requested to move forward to Annual Assessments
 - Dorothy Peters made recommendation to charge:
 - \$44 per share ($\$44 \times 1327 \text{ shares} = \$58,388$) PLUS \$50 per stockholder ($\$50 \times 102 \text{ shareholders} = \$5,100$) which would total \$63,488 in Annual Assessment revenue
 - **OR**, \$200 per stockholder ($\$200 \times 102 \text{ shareholders} = \$20,400$) PLUS \$33 per share ($\$33 \times 1,327 \text{ shares} = \$43,791$) which would total \$64,191 in Annual Assessment revenue
 - There was a discussion regarding the idea of having the ability to relinquish shares back to the Company if a shareholder cannot use or does not want to use the water.
 - Per Andy Waldera, this would require Bylaw amendment to relinquish shares. Currently a rental pool is the only option.
 - Andy Waldera clarified this could be an option if the Bylaws are amended to include it and approved by the shareholders.
 - Discussion circled back to the \$125k cost share (match) for the IWRB Grant
 - There were a few questions from the shareholders as to whether the SCDC had finalized an engineering analysis for the Project. It was confirmed by the Board that this has not been completed
 - Poppy Darby shared the idea to have the per share cost separate than the annual shares/assessment fee to cover the payments/loan
 - Roy Moses discussed the different options including a loan option as well as exploring a line of credit.
 - A question was posed by the shareholders - who is looking into Federal Grants?
 - Tom John defined Laura Moore Berris as a potential ask to help support the SCDC given that the Trust has previously helped groups such as the Friendship Coalition with large gifts
 - Ask from Roy was to work with Tom John to explore securing of funding.

- Jan Cefalu made a motion to form a 5-person (3-person minimum) committee to research and develop findings regarding financing options to present to shareholders. Barbara Avila seconded the motion
- *Vote results – Unanimous 662 votes*
- Shareholders identified five (5) volunteers for the committee:
 - Marian Condon – lead
 - Barbara Avila
 - Bruce Hamilton
 - Tracy Monticelli
 - Tom John

10. New Business (Including Annual Budget and Assessments):

- Secretary read 2023 proposed budget.
 - Questions posed by shareholders regarding robocalls and bookkeeping fees (software license fee). Secretary addressed questions and further defined the \$12k loan repayment item discussed in old business that goes towards the \$125k Grant share cost
 - Ralph Barker motioned to accept the budget proposal. Barbara Avila seconded the motion
 - Poppy Darby opposed the \$12k listing on the budget. Barbara Avila pulled her second to the motion. Harry Mondor then seconded the original motion
 - Question to confirm \$12k could it go towards loan repayment or toward other needs? Request is to rename “loan repayment” to “infrastructure repayment.”
 - Clarification was made by the Board that the \$12k amount could be used toward other infrastructure needs. Confirmed the amount could be used based on shareholder input and vote
 - *Vote results: 1 Nay – Darby (1) and 661 Yays*
- Dorothy Peters made a recommendation to charge the following in annual assessment:
 - \$50 per stockholder ($\$50 \times 102 = \$5,100$) PLUS \$44 per share ($\$44 \times 1327 = \$58,388$) for a total of \$63,488 in revenue
- Dorothy Peters proposed a second option of \$33 per share ($\$33 \times 1327 = \$43,791$) PLUS \$200 per stockholder ($\$200 \times 102 = \$20,400$) for a total of \$64,191 in revenue
- Jan Cefalu motioned to vote on \$44 per share with a \$50 account fee. Barbara Avila seconded the motion
 - *Vote results: 552 NAYS and 110 YAYS*
NAYS – Arthur, Barker, Beal (proxy by Moses), Carlsen, Dalrymple, Greg Drake, Paul Drake, Foruria, Furst, Gamble, Ghiorzi, Gibson, Gorley, Hamilton, Houbein, Link, Moses, Mondor, Simmons, Turner

YAYS – Atwood (proxy by Avila), Avila, Carlson, Cefalu, Christensen, Darnell (proxy by Avila), Etchamendy, Goode, Haver, Huston (proxy by Avila), John, Johnson, Kirri Mann, Lane (proxy by Avila), Lee (proxy by Avila), McKean, Misnick, Monticelli, Peters, Sanders

- Paul Drake motioned to keep the \$25 per share with a \$300 account fee (total \$63,775). Joan Gambel seconded that motion
 - *Vote results: 553 YAYS and 109 NAYS*

NAYS – Atwood (proxy by Avila), Avila, Carlson, Cefalu, Christensen, Darnell (proxy by Avila), Etchamendy, Goode, Hale, Huston (proxy by Avila), John, Johnson, Lane (proxy by Avila), Lee (proxy by Avila), McKean, Misnick, Monticelli, Peters, Sanders

YAYS – Arthur, Barker, Beal (proxy by Moses), Carlsen, Dalrymple, Greg Drake, Paul Drake, Foruria, Furst, Gamble, Ghiorzi, Gibson, Gorley, Hamilton, Houbein, Kirri Mann, Link, Moses, Mondor, Simmons, Turner

11. Nomination and Election of Directors:

- Bruce Hamilton nominated Rick Link and Roy Moses (both declined nominations)
- Barbara Avila nominated Marian Condon and Tracy Monticelli (both accepted nominations)
- Paul Drake nominated LeAnn Carlsen (accepted nomination)
- Roy Mose nominated Tom John (accepted nomination)
- Shareholders had an ongoing discussion about the importance of really thinking through who gets voted in. Think about who has understanding, maintenance experience, etc. for this vote.
- Motion made to vote per stockholder – this will be one vote per shareholder. This will be a vote for three of the five people nominated, Roy Moses seconded the motion
 - *Vote result 1 NAY – Ryan Moses (2), and YAYS – 660*
- Results of the Board Member Vote: Monticelli = 6; Condon = 18; John = 19; Avila = 10; and Carlsen = 30
 - Shareholders voted in LeAnn Carlsen (30 shareholder votes); Tom John (19 shareholder votes) and Marian Condon (18 shareholder votes)

12. Meeting adjournment:

- It was motioned to adjourn the meeting. The motion was seconded. The meeting was adjourned at 11:56 P.M.