

Verde Ditch Company  
10 First  
P.O. Box 333  
Camp Verde, Arizona 86322  
Phone 567-4212

July 20, 1989

SPECIAL MEETING

Review of letters received concerning Order to Show Cause, Rules and Regulations.

Roll Call:

Glen E. Everett  
Vince Higginbotham  
Doc Ferguson  
John Reddell  
Gorden Brocker - Out of Town  
Call to Order

**FILED**  
9:30 O'Clock, A. M  
RECEIVED  
JUL 24 1989  
JUL 21 1989  
SUPERIOR CT.  
DIV. 1  
By ETHEL BOUTON, Clerk  
Deputy

Commissioner Higginbotham: Small hand full of people with comments. These rules and regulations are fair for everyone. I am not in favor to any change to the rules and regulations.

Commissioner Ferguson: Rules and Regulations changes purposed by Mrs. Halma would criple the Verde Ditch Company and it is certain that Mrs. Halma would like to take over the operations of the Verde Ditch and take the Verde Ditch out of the hands of the court. Rules and Regulations are for the protection of the shareholder.

Commissioner Reddell: According to the letters received, there is concern over the 51% for a quorum. If shareholders were not satisfied over operations, it would be easy to achieve the required 51% either in person or by proxy.

The districts are spelled out as plain as possible.

Easements are a must, Verde Ditch could not operate without the easements.

We do abide by the open meeting laws of the State of Arizona. The front window of the Verde Ditch office is used to post agendas, meeting dates and ect.

All commissioners agreed that: The Rules and Regulations are for the protection of all shareholders and not in the personal interest of one or two shareholders. These Rules and Regulations are for guidelines for the present and future Board of Commissioners.

Also Agreed, Should be pointed out that:

- 1) Raymond F. Kreizinger, sued the Verde Ditch Company, along with others. Due to economic reasons, Mr. Kreizinger was awarded \$5,000.00.
- 2) Paul Webb, Estate of Virginia F. Webb, Verde Ditch was sued by Mr. Webb, and after months of expense to the Verde Ditch, Mr. Webb lost his case. Mr. Webb has only his personal interest in the stock water issue. He is one of a very few that allows his cattle to water from the ditch which creates damage to the Ditch and the banks. It was discovered that Mr. Webb did not file a stock watering right with the Department of Water Resources.

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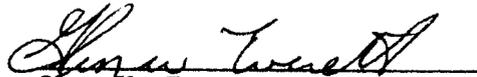
3) Mrs. Halma, and council, misunderstand the meaning of the Rules and Regulations. If Mrs. Halma and her council were residents of Camp Verde, the district boundaries would be clear.

The Board of Commissioners are not receivers nor is it possible to take possession of property. There is no intention of creating a lien against real property and in our opinion, no place in the Rules and Regulations allows such.

Mrs. Halma and her council has miss-read or has been miss-led. These proposed Rules and Regulations are for an irrigation ditch, to insure for the welfare and needs of all of the Verde Ditch Shareholders.

4) Mr. John Watford, again, if the shareholders were not satisfied with the operations of the Ditch, we feel certain a quorum would assemble. Mr. Watford also has problems with 51% of the shareholders. We want to stay democratic, let the people rule by having a majority, 51%.

5) Mr. Frank Blake, we do not know Mr. Blake, we would welcome him to our meeting anytime. We would all like to know why he is trying to defame and slander any or all on the board.

  
Glen W. Everett,  
Chairman

minutes approved  
7/20/89

Martie Cathcart