

## A SPECIAL NOTICE TO TERRACE LAKES WATER COMPANY SUBSCRIBERS

April 26, 2021

I find it necessary to send this letter to all of the Subscribers in the Terrace Lakes Water Company, known as TLWC. The Subscribers are the property owners in Terrace Lakes and North Ridge at Terrace Lakes that have connected to the water system and pay \$47 a month.

You must be tired of letters, notices, gossip, lies and incorrect water bills at this time. This letter is to help everyone understand what is going on with the Water Co.

I am sorry to say it looks like your monthly water bill will be going up substantially and the grant that had been approved for the previous Board of Directors is no longer available. Therefore no new wells will be drilled this year.

The current Board has hired another attorney and they also hired an auditor.

I feel it is my duty to disclose what is happening at the present time. I had been President of the TLWC for 11 years until March 2, 2021, and was involved in the water system at Terrace Lakes Resort for over 50 years. The TLWC was known as the best water system in the County. It was chosen to receive the \$1,000,000 grant because of its history and the way it was managed. The TLWC beat out two cities that had applied for it.

The new Board and their adversaries have spent a lot of time and money to take over the TLWC. Two of the adversaries, Ron Sneed and Mark Iverson have been intent on lying and slandering Lonnie Bramon and myself for at least 10 years. It all had to do with the development of North Ridge at Terrace Lakes. Their falsehoods have been that Lonnie stole some of the \$1,285,000.00, that was the loan secured by the USDA for the upgrades made to the water system. The upgrades were started in 2005 and completed in 2011. Ron Sneed still insists we laundered money. He yelled that out in a water meeting September 27, 2020.

I finally figured out why they think those funds were confiscated. We had to borrow money secured by Terrace Lakes land to do the upgrades required by DEQ and when the money was funded \$787,000.00, of it went to pay off the loan that we had borrowed.

Les Bois Federal Credit Union, now Mountain America, was who the loan was with. They did not give the water company any money, they just transferred it to themselves to pay off the loan.

The new Water Board has spent several weeks going through every transaction made in the bank account for the last 10 years and it does not show that the \$787,000.00 was ever received. That is because the bank transferred the money to pay off the loan they had made.

The new Board has been given documents explaining the loans but they do not believe what the documents say or they cannot read. They insist that Lonnie used the money to put in North Ridge at Terrace Lakes Subdivision. Their minds are made up and they will not accept the truth or the facts. I think they must be judging us by themselves. They cannot believe anyone could be honest and when you are innocent you have no defense.

Our engineer for TLWC, Tim Farrell from Mountain Waterworks, has resigned because he could not work with the current Board. He has been our engineer for over 13 years and has an impeccable reputation for being the best, most knowledgeable water engineer in the state. He met with the current Board of Directors to go over all of the details regarding the engineering and work that was done on the water system. He resigned because the current Board of Directors was not interested in learning about the water system they were more intent on slandering us than learning about the system and all of the improvements that had been made. He said he had never been treated so disrespectful.

I want to introduce you to the three current Board of Directors of the TLWC that were elected in an illegal election that was not conducted according to the By-Laws of the TLWC.

Dennis Largent, President, is a state employee and obviously has never ran a business.

Chuck Steele, Vice-President, has an interesting background and is commonly known as a bully and a liar.

Mary Cordova, Secretary, is a city employee, and is not even a property owner of record. She is the girlfriend of Bob Goodwin.

Currently their office is a PO Box number. There are no addresses or phone numbers on their billing statements. Any questions are to be emailed to customer service. Obviously they do not want to be bothered. They do not know that some people on earth do not have internet. What do you do if you have a water break. Send an email???

Their billing statement stated if not paid by the 20th your water will be shut off. Again, I wonder if they can read. There are policies for collecting money when the water bills are not paid

.None of the three Board members have been at Terrace Lakes more than 7 years.

They had an election to elect a Board of Directors for the TLWC that was illegal in four ways. They could not get it out of their mind that it is not an HOA.

1. The voting was by mail. An HOA can take certain actions by mailing ballots. I am attaching the Idaho Code 30-30-508 for your proof. Throughout their lawsuit against us and the Water Company their attorney was referencing this code. It clearly states you cannot elect the Board of Directors by mail. Even in an HOA.

2. In their election all of the property owners that had a vacant lot had one vote for every lot they owned. Subscribers that pay for water are the only ones that can vote according to the By-Laws.

3. All ballots could be sent back by mail, email or by texting. The Board of Directors, as stated in the By-Laws, have to be elected at an Annual Meeting or a Special Meeting called for that purpose. There was no meeting.

4. The wives of two of the new Board Members that were elected were the only ones to see the ballots, and they counted them. I have proof there was voter fraud involved.

The latest rumor being spread by one of the Board Members is that the TLWC is bankrupt. I am concerned they could ruin the company's good credit. That would be a catastrophe for the TLWC.

There were only two times in the last ten years the TLWC was short of money and two of the previous Board Members loaned it money then it was paid back.

The current Board spent approximately \$30,000 in attorney's fees for the lawsuit they filed against us and the Water Company. I wonder if they thought the grant money would pay that. Sorry!

There is a chance that Lonnie and I can get released from being personal guarantors of the USDA loan and the current Board of Directors can take our place. All the bank will need is a credit report, their financial statements and three years of their tax returns in order to personally guarantee it.

We have been slandered and defamed by the current Board of TLWC and a group of their adversaries and their minions that want to believe their lies and I think enough is enough. Thus the purpose of this letter.

Yours Truly,



Ilene Johnson

**ATTACHED IS IDAHO CODE 30-30-508**

30-30-508. ACTION BY MAILED WRITTEN BALLOT OR ABSENTEE BALLOT. (1) Unless prohibited or limited by the articles or bylaws, any action that may be taken at any annual, regular or special meeting of members may be taken without a meeting if the corporation delivers a written ballot to every member entitled to vote on the matter. The articles or bylaws may provide that the members may vote by mail or by absentee ballot on any corporate action that may be taken at any annual, regular or special meeting of members.

(2) A written ballot for action taken without a meeting shall:

(a) Set forth each proposed action; and

(b) Provide an opportunity to vote for or against each proposed action.

(3) Approval by written ballot alone pursuant to this section when a meeting is not held shall be valid only when the number of votes cast by ballot equals or exceeds the quorum required to be present at a meeting authorizing the action and when the number of approvals equals or exceeds the number of votes that would be required to approve the matter at a meeting at which the total number of votes cast was the same as the number of votes cast by ballot.

(4) All solicitations for votes by written ballot shall:

(a) Indicate the number of responses needed to meet the quorum requirements;

(b) State the percentage of approvals necessary to approve each matter other than election of directors; and

(c) Specify the time by which a ballot must be received by the corporation in order to be counted.

(5) Except as otherwise provided in the articles or bylaws, a written ballot may not be revoked.

UNDER ARTICLE 3 Section 3.7 of the Bylaws that govern the Terrace Lakes Water Company, titled Removal: A Director may be removed by a majority vote of the other directors or of the Subscribers.

UNDER ARTICLE 3 Section 3.2 of the Bylaws that govern the Terrace Lakes Water Company, titled Initial Board of Directors: The initial Board of Directors designated in the Articles shall serve until their successors are elected at the Annual Meeting of Subscribers or a special meeting called for the purpose of electing a Director or Directors.

UNDER ARTICLE 3 Section 3.3 of the Bylaws that govern the Terrace Lakes Water Company, titled Number of Directors: The Board of Directors shall consist of five (5) Directors elected by the subscribers which shall each fill a seat on the Board of Directors, designated A, B, C, D, or E.

UNDER THE IDAHO NON- PROFIT ACT codified in Idaho Code §30-30-608, which in part governs the Terrace Lakes Water Company, entitled Removal Of Directors Elected By Members Or Directors reads in pertinent part:

(1) The members may remove one (1) or more directors elected by them without cause

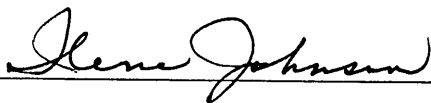
(3) ... a director may be removed under subsection (1) of this section only if the number of votes cast to remove the director would be sufficient to elect the director at a meeting to elect directors.

(5) A director elected by members may be removed by the members only at a meeting called for the purpose of removing the director and the meeting notice must state that the purpose, or one (1) of the purposes, of the meeting is removal of the director.

(7) An entire board of directors may be removed under subsections (1) through (5) of this section.

UNDER THE IDAHO NON- PROFIT ACT codified in Idaho Code §30-30-604, which in part governs the Terrace Lakes Water Company, entitled Election, Designation and Appointment of Directors, reads in pertinent part: (1) If the corporation has members, all the directors, except the initial directors, shall be elected at the first annual meeting of members, and at each annual meeting thereafter, unless the articles or bylaws provide some other time or method of election, or provide that some of the directors are appointed by some other person or designated.

Signed



Dated

4-29-21

## **Notice for Special Meeting**

### **Overview:**

Pursuant to the below listed Bylaw Provisions, and Idaho Code sections, 10% of the Subscribers, specifically named herein, call for a special meeting for the purpose of removing each individual Director on the Board of Directors for the Terrace Lakes Water Company, including Dennis Largent, Chuck Steele, Mary Cordova, Julie Stillman, and Rolly Woolsey. This meeting is also for the purpose to elect individuals as Directors to fill any vacancies that may exist on the Board after the vote on removal occurs.

### **When and Where:**

The meeting shall take place on Sunday, May 16, 2021, at 2:00 o'clock p.m., at the Garden Valley Senior Center, 261 S. Middlefork Road, Garden Valley, Idaho, 83622.

### **Detailed Purpose and Procedure:**

It is with the authority vested in the Subscribers from the below-mentioned codes and bylaw provisions that (list individuals who called the meeting) call this meeting.

It was previously stated that the purpose of this meeting is:

- (1) For the vote on removal of Director Dennis Largent from the Board of Directors;
- (2) For the vote on removal of Director Chuck Steele from the Board of Directors;
- (3) For the vote on removal of Director Mary Cordova from the Board of Directors;
- (4) For the vote on removal of Director Julie Stillman from the Board of Directors;
- (5) For the vote on removal of Director Rolly Woolsey from the Board of Directors
- (6) For the election of Directors to fill any and all remaining and vacant seats, after votes on removal have been completed.

### *Removal*

For the removal of Directors, it requires the majority vote of the Subscribers.

A Subscriber is eligible to vote if they are an owner of a lot in the subdivision and they have 1) paid the connection fee for that lot; 2) agreed to be bound by the terms of the Articles Bylaws and Policies and Procedures, as amended from time to time; 3) agreed to pay dues fees and other assessed costs for operating the System in accordance with the Bylaws and the Policies and Procedures; and 4) agreed to be bound by the regulations governing water use promulgated from time to time. It is only after a subscriber agrees to the preceding provisions that the Subscriber shall be eligible to receive water from the company, and further it is only after this eligibility that a Subscriber has a right to vote. In addition, if a Subscriber's lot is connected to water, they have met the aforementioned eligibility requirements.

**PROXY  
TERRACE LAKES WATER COMPANY**

**PROXY VOTE AT A SPECIAL MEETING OF THE SUBSCRIBERS OF TERRACE  
LAKES WATER COMPANY TO BE HELD ON SUNDAY, MAY 16, 2021, AT 2:00  
O'CLOCK P.M. AT GARDEN VALLEY SENIOR CENTER, 261 S. MIDDLEFORK  
ROAD, GARDEN VALLEY, IDAHO 83622**

KNOW ALL MEN by these presents, the undersigned Subscriber in Terrace lakes Water Company, does hereby irrevocably appoint and constitute

---

The attorney and proxy of the undersigned, with the power of substitution to vote on the removal of Directors, and act at the Special Meeting of the Subscribers in Terrace lakes Water Company, on May 16, 2021, at 2:00 o'clock p.m. and at any adjournment or adjournments thereof, with all the powers the undersigned would possess if personally present and acting, hereby revoking all previous proxies and hereby confirming all that said attorneys and proxies may do in the premises by virtue hereof.

Dated this \_\_\_\_ day of \_\_\_\_\_ 2021.

Signed \_\_\_\_\_

Print \_\_\_\_\_

Number of Lots Owned \_\_\_\_\_

One vote per Director x Lots

Vote for the removal of the following Directors:

Dennis Largent      removal ( )    against removal ( )

Chuck Steele        removal ( )    against removal ( )

Mary Cordova        removal ( )    against removal ( )

Julie Stillman       removal ( )    against removal ( )

Rolly Woolsey        removal ( )    against removal ( )

**PROXY  
TERRACE LAKES WATER COMPANY**

**PROXY VOTE AT A SPECIAL MEETING OF THE SUBSCRIBERS OF TERRACE  
LAKES WATER COMPANY TO BE HELD ON SUNDAY, MAY 16, 2021, AT 2:00  
O'CLOCK P.M. AT GARDEN VALLEY SENIOR CENTER, 261 S. MIDDLEFORK  
ROAD, GARDEN VALLEY, IDAHO 83622**

KNOW ALL MEN by these presents, the undersigned Subscriber in Terrace lakes Water Company does hereby irrevocably appoint and constitute

\_\_\_\_\_

The attorney and proxy of the undersigned, with the power of substitution to vote on the election of Directors at the Special Meeting of the Subscribers in Terrace lakes Water Company, on May 16, 2021, at 2:00 o'clock p.m., and at any adjournment or adjournments thereof, with all the powers the undersigned would possess if personally present and acting, hereby revoking all previous proxies and hereby confirming all that said attorneys and proxies may do in the premises by virtue hereof.

Dated this \_\_\_\_ day of \_\_\_\_\_ 2021.

Signed \_\_\_\_\_

Print \_\_\_\_\_

Number of Lots Owned \_\_\_\_\_

One vote per Director x Lots

In the event Dennis Largent is removed from the Board, please indicate your write in vote to replace him:

( ) \_\_\_\_\_

In the event Chuck Steele is removed from the Board, please indicate your write in vote to replace him:

( ) \_\_\_\_\_

In the event Mary Cordova is removed from the Board, please indicate your write in vote to replace her:

( ) \_\_\_\_\_

In the event Julie Stillman is removed from the Board, please indicate your write in vote to replace her:

( ) \_\_\_\_\_

In the event Rolly Woolsey is removed from the Board, please indicate your write in vote to replace him:

( ) \_\_\_\_\_

FIRST-CLASS



US POSTAGE

02 7H

\$ 000.51<sup>0</sup>

0001334337

MAY 03 2021

MAILED FROM ZIP CODE 83622

TERRACE LAKES RESORT  
101 HOLIDAY DR.  
GARDEN VALLEY, ID 83622