

Blue Ridge Domestic Water Improvement District (BRDWID)
Regular Open Zoom Meeting Minutes
<https://zoom.us/j/99836849151>
March 27, 2021
9:00 AM – Regular Session

1. Call to order and roll call

Board Members Present: John Ritter, Sue Davis, Ronald Krug, and Paul Schmidt were present via Zoom Meeting.

Board Members Absent: Jack Beale, III, was absent.

Members at Large Present: Bill Patterson, Lisa Johnson, Mike Bradley, and unnamed other Members at Large

Others Present: Patricia Birtwistle, Zoom Meeting Technician

Chairperson John Ritter called the Open Zoom Meeting of the Board of Directors to order at 9:05 a.m. and determined that four of five Board Members present constituted a quorum to do business.

2. Accept Agenda as Presented

Motion: Accept Agenda as presented. **Action:** Approve. **Moved by:** Board Member Sue Davis.

Seconded by: Board Member Ronald Krug.

The Motion passed unanimously.

3. Call to the Public for Items not on the Agenda to be placed on the agenda at the next meeting

No District Members at Large attending via the Zoom Meeting requested to speak.

4. Consent Agenda Item

Approve Draft Open Meeting Minutes from the February 20, 2021, public meeting

Motion: Approve DRAFT February 20, 2021, Open Zoom Meeting Minutes. **Action:** Approve.

Moved by: Board Member Ronald Krug. **Seconded by:** Board Member Paul Schmidt.

The Motion passed unanimously.

5. Executive Session Items as set forth in A.R.S. §38-431.03.A.

Motion: Move into Closed Executive Session to discuss counter-offer from the Starlight Water Company. **Action:** Approve. **Moved by:** Board Member Paul Schmidt **Seconded by:** Board Member John Ritter.

The Motion passed unanimously.

9:10 a.m. The Board suspended Open Session and moved into Closed Executive Session. BRDWID Meeting Technician Trisha Birtwistle moved Members at Large into the Zoom Meeting Waiting Room.

9:19 a.m. The Board moved back into Open Session. Meeting Technician Trisha Birtwistle moved Members at Large from the Zoom Meeting Waiting Room into the Open Zoom Meeting.

6. Regular Agenda Items.

A. Discuss status of BRDWID offer to purchase the Starlight Water Company, Inc.

Motion: To Discuss. **Action:** Approve. **Moved by:** Board Member Sue Davis. **Seconded by:** Board Member Ronald Krug.

The Motion passed unanimously.

The Board discussed the February 12, 2021, Starlight Water Company, Inc., counter-offer regarding terms not yet agreed to. **Action:** Approve sending a counter-counter-offer to Starlight Water regarding items not yet agreed to. **Moved by:** Board Member Sue Davis. **Seconded by:** Board Member Ronald Krug.

The Motion passed unanimously.

B. Discuss status of WIFA loan and general assistance available to the District

Motion: To Discuss. **Action:** Approve. **Moved by:** Board Member Ron Krug. **Seconded by:** Board Member Sue Davis.

The Motion passed unanimously

John Ritter reported that he had submitted the BRDWID \$2,900,000 loan application package dated February 20 to WIFA before the February 26, 2021, deadline and had shared all required documents with the BRDWID Board by email prior to today's meeting. WIFA would consider the BRDWID loan application at their decision-making meeting on April 22, 2021. The interest rate for WIFA loans is between 1.75 and 2.75 percent. In addition to loans, WIFA offers general and technical assistance regarding future improvement projects such as installing electronic water meters. Gila County's Pine-Strawberry Water District, a WIFA recipient, has electronic meters. Board Member Sue Davis thanked John Ritter for leading this effort and asked him to email Board Members a copy of the WIFA application.

C. Discuss response from Southwestern Utility Management, Inc.

Motion: To Discuss. **Action:** Approve. **Moved by:** Board Member Sue Davis. **Seconded by:** Board Member Ron Krug.

The Motion passed unanimously.

John Ritter reminded the Board that they had arrived at consensus at the February 20, 2021, Board meeting that BRDWID was going to need the services of Southwestern Utility Management, Inc., after purchasing Starlight Water and would need a new Service Agreement. He reported that Paul Juhl, Southwestern Utilities Manager and BRDWID's previous contact, was no longer employed there, but a new service agreement could be developed. John Ritter would re-confirm the 2020 year-end numbers with Southwestern Utility Management. He reported that the Owners of Starlight Water believe that BRDWID should retain Southwestern Utility Management because they have been doing a good job with regulatory and billing requirements but would not require BRDWID to retain them. However the Starlight Water Owners insisted that BRDWID continue to employ the current local field staff for a reasonable time to ensure that water operations were not interrupted.

D. Discuss Officer positions of the BRDWID Board of Directors

Motion: To Discuss. **Action:** Approve. **Moved by:** Board Member Sue Davis. **Seconded by:** Board Member John Ritter.

The Motion passed unanimously.

Ronald Krug stated that the Board should have a Chair, Vice Chair, Secretary, and Treasurer. Even though mentioned in the enabling statute, a Clerk is not a Board Officer position. Chair John Ritter responded he would refer this issue to BRDWID attorney Riley Snow. Ronald Krug disagreed.

E. Discuss posting of board vacancy

Motion: To Discuss. **Action:** Approve. **Moved by:** Board Member Sue Davis. **Seconded by:** Board Member Ronald Krug.

The Motion passed unanimously.

John Ritter reported that he had received an email on March 22, 2021, from John "Jack" Beale, III, and a Pine Canyon property owner, tendering his resignation from the BRDWID Board of Directors due to a lack of time. **Motion:** To Accept John Beale's resignation. **Action:** Accept. **Moved by:** Board Member Sue Davis. **Seconded by:** Ronald Krug.

The Motion passed unanimously.

Sue Davis suggested the Board post a Notice of Vacant Board Seat on the District website and community bulletin boards and accept applications from all property owners in the District who were registered Arizona voters. John Ritter agreed that we needed to move in that direction when filling vacant Board seats just as was going to happen in 2022 when the first District election would occur. Ronald Krug didn't agree. Applications should be limited to property owners whose communities were not already represented on the Board. He was concerned that a large community would take over the Board's membership. John Ritter noted that the Blue Ridge Fire District Board was made up of District property owners who were Arizona registered voters. Appointed positions can reflect a preference but in an election anyone eligible can throw a hat in the ring. Paul Schmidt suggested appointing by looking at the applicants' qualifications and picking the best candidate.

Motion: Post a Notice of Vacant Board Seat on the BRDWID Website and on Starlight Pines, Blue Ridge Estates, Tamarron Pines, and Blue Ridge Fire Department bulletin boards. Applicants must be Blue Ridge Domestic Water Improvement District property owners and registered voters in Arizona. Applicants should explain why they want to serve, their experience, and in which Blue Ridge community they own property. Applicants shall return applications to the BRDWID Clerk by email or USPS.

Action: Approve. **Moved by:** Board Member Sue Davis. **Seconded by:** Board Member John Ritter.

The Motion passed unanimously.

7. Announcements.

A. Future meeting dates.

Chairperson John Ritter set the next Board meeting for Saturday, April 24, 2021, at 9:00 a.m. at the Starlight Pines Community Center and/or by Zoom Meeting.

B. Future Board agenda items.

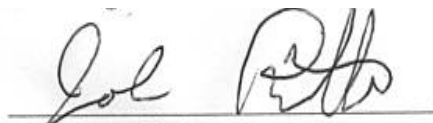
1. Discuss status of BRDWID offer to purchase the Starlight Water Company, Inc.
2. Discuss status of WIFA loan and general assistance available to the District
3. Discuss Southwestern Utility Management, Inc., Service Agreement with BRDWID
4. Discuss Officer positions of the BRDWID Board of Directors
5. Discuss and fill BRDWID Board vacant position

8. Adjournment.

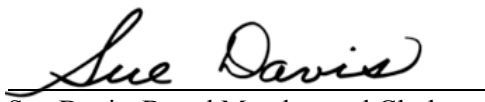
Motion: Adjourn Meeting **Action:** Approve **Moved by:** Board Member John Ritter **Seconded by:** Board Member Ronald Krug

The Motion passed unanimously.

There being no further business, Chairperson John Ritter adjourned the meeting at 10:18 a.m.



John Ritter, Chairperson
Blue Ridge Domestic Water Improvement District



Sue Davis, Board Member and Clerk
Blue Ridge Domestic Water Improvement District

Prepared on: April 16, 2021

Approved: April 24, 2021