

**Blue Ridge Domestic Water Improvement District (BRDWID)**  
**Minutes of the Telephonic Public Hearing**  
**July 11, 2022, at 2:00 p.m.**

The meeting was held by telephone only.  
Call-in number: 720-740-9623, Pin 5894439#

**1. Call to Order**

Board Chair John Ritter called the Telephonic Public Hearing to order at 2:02 p.m.

**Roll Call of Board Members Present**

John Ritter, Ron Krug, Sue Davis, Mike Bourne, and Paul Schmidt were present on the phone.

**Quorum**

Chair John Ritter determined that five of five Board Members present constituted a quorum to conduct business.

**Others present who called**

|                    |                 |              |                    |
|--------------------|-----------------|--------------|--------------------|
| Jeri & Laird Mason | Rhonda Williams | Paul Borg    | Steve Nagy         |
| Dennis Raber       | Steve Basmajian | Sam Perk     | John Motley        |
| Dave Wang          | Frank Bajus     | Tom Osterday | Mary Alice Samsill |
| Lori Honea         | Matt Porter     | Bob ?        | Dennis Morgan      |

**2. Accept Agenda as Presented**

**Motion:** Accept Agenda as presented **Action:** Accept **Moved by** John Ritter. **Seconded by** Ron Krug  
**The Motion passed unanimously.** Ayes: 5 No's: 0.

**3. Call to the Public regarding the petitions to allow properties to be removed from the district.**

No calls came from the public.

**4. Discuss the Petitions to Remove Property from the District.**

Treasurer Mike Bourne reported that he had received three Petitions from three District property owners who wished to have their properties exit the District and would present the Petitions in order of Lot Number.

**4.1 Petition to Exit the District from Stephen and Lori Honea, Owners of Starlight Pines Ranchettes Lot 1, APN 403-83-001**

Petitioner Lori Honea was present by telephone at the Hearing.

Mike Bourne reported that the Petitioner and the District had completed all Arizona Revised Statutes Title 48 eligibility requirements to leave the District. Mike read Honea Petition Exhibits C and D aloud into the record.

Exhibit C:

*We are requesting to opt out of the district due to concerns we have with the formation of the district, owners not completing petitions included in the initial formation count is concerning. Also of concern is the lack of standard appraisal process for the initial valuation of assets prior to purchase for the determination of purchase price and/or improvement cost due to maintenance issues expected to be incurred with an aging system (1995). Although the current board has stated there is not intent to raise taxes there can be no assurance of the same for future board members as costs are incurred which would negatively impact us. Our desire is to*

*not be held to this type of potential financial risk. We respectfully request our petition to opt out be accepted. Thank you.*

Exhibit D:

*We appreciate that we have the opportunity to “simply opt out.” We respectfully request that our petition be granted. Certainly we feel that by this action “the public convenience, necessity or welfare will be promoted” by the opportunity afforded verbally and by public confession in current/past meetings as witnessed in special Sessions and Public Meetings to “opt out” as stated by the Board Members to owners. Thank you.*

In response to a question from Board Member Sue Davis, Lori Honea commented that she had nothing more to add to the Honea’s statements in Petition Exhibits C and D.

**Motion 4.1:** To allow Starlight Pines Ranchettes Lot 1, APN 403-83-001, to exit the Blue Ridge Domestic Water Improvement District. **Action:** Approve. **Moved by** John Ritter **Seconded by** Sue Davis. **The Motion passed unanimously.** Ayes: 5 No’s: 0

Mike Bourne read **Resolution 2022-7-11 SPR Lot 1** aloud into the Record.

**BLUE RIDGE DOMESTIC WATER IMPROVEMENT DISTRICT  
RESOLUTION 2022-7-11 SPR LOT 1  
RESOLUTION AND ORDER FOR THE EXIT OF PROPERTY FROM THE DISTRICT**

WHEREAS, Stephen W. Honea and Lori L. Honea, as Trustees under the Stephen W. Honea and Lori L. Honea Revocable Trust Agreement Dated May 6, 2004, (“the Requesters”), owner of Starlight Pines Ranchettes, Lot 1, APN 403-83-001, 4929 Morning View Drive, Happy Jack, AZ, 86024, (“the Property”), submitted a Notarized Petition Request on June 5, 2022, with the Clerk of the Blue Ridge Domestic Water Improvement District (“the District”), asking that their Property be excluded from the District, pursuant to Arizona Revised Statutes Title 48, Chapter 6; section 1014 C.,

WHEREAS, the Board of Directors of the District has performed a records search with the Offices of the Coconino County Recorder and the Coconino County Assessor and confirmed that the Requesters are the legal Owners of the Property and that all Property Owners have signed the Request, and

WHEREAS, the Board of Directors of the District finds that the legal requirements for exiting from the District have been met and the exclusion of the Property from the District will not be a detriment to the public convenience, necessity, and welfare,

NOW, THEREFORE, THE DISTRICT BOARD OF DIRECTORS RESOLVES that the Property described on the attached legal description is hereby declared to be excluded from the District.

The Board of Directors hereby directs that a copy of this Resolution shall be recorded in the Office of the Coconino County Recorder, and the BRDWID Clerk of the District shall mail a copy of the recording of this order to the Arizona Department of Revenue, the Clerk of the Coconino County Board of Supervisors, and the Coconino County Assessor.

PASSED AND ADOPTED ON July 11, 2022

To Be Signed by: John Ritter, Chair Attested By: Sue Ann Davis, Clerk and Secretary

John Ritter reported that **Resolution 2022-7-11 SPR LOT 1** had passed and would be recorded in the Office of the Coconino County Recorder and the BRDWID Clerk would send the recorded Resolution to the Clerk of the Coconino County Board of Supervisors, the Coconino County Assessor, and the Arizona Department of Revenue.

**4.2 Petition to Exit the District from Martin & Judith Fernandez, Owners of Starlight Pines Ranchettes Lot 8, APN 403-83-008**

Martin and Judith Fernandez were not present at the Telephonic Hearing. Mike Bourne reported that the Petitioner and the District had completed all Arizona Revised Statute Title 48 eligibility requirements to leave the District. Mike read the Fernandez Petition Exhibits C and D aloud into the record.

Exhibit C.

*We are requesting to Opt Out of the District due to concerns we have with the formation of the district. It is concerning that some Lot owners were included in the initial formation count but never filled out a petition. Also concerning is of standard appraisal process for the initial asset valuation, price or improvement costs that will [sic] incurred with a 27 yr old system. The Present Board stated that there is no intent to raise taxes but there is no assurance future board members will do the same. We do not feel comfortable incurring costs which would have a financial impact that would affect us negatively. We feel that a potential financial risk is to [sic] great. We respectfully request that our request to opt out be accepted. Thank you.*

Exhibit D

*We are grateful for the opportunity to simply opt out. We are requesting that our petition be granted. We feel this action, “The Public Convenience necessity or Welfare will be promoted” by the opportunity afforded [sic] verbally and by public confession [sic] in current/past meetings as witnessed in special sessions and public meetings to ‘Opt Out’ as stated by The Board Members to owners. Thank you*

**Motion 4.2:** To approve Resolution 2022-7-11 SPR Lot 8 to allow Starlight Pines Ranchettes Lot 8, APN 403-83-008, to exit the Blue Ridge Domestic Water Improvement District. **Action:** Approve. **Moved by** Sue Davis **Seconded by** John Ritter **The Motion passed unanimously.** Ayes: 5 No’s: 0

Mike Bourne read aloud into the Record the **Resolution 2022-7-11 SPR Lot 8.**

**BLUE RIDGE DOMESTIC WATER IMPROVEMENT DISTRICT  
RESOLUTION 2022-7-11 SPR LOT 8**

**RESOLUTION AND ORDER FOR THE EXIT OF PROPERTY FROM THE DISTRICT**

WHEREAS, Martin Fernandez and Judith K. Fernandez, married couple, (“the Requesters”), owners of Starlight Pines Ranchettes Unit One Lot 8, APN 403-83-008, 5056 Morning View Drive, Happy Jack, AZ, 86024, recorded as Quitclaim Deed 3939961 dated 01-14-2022 and being the same premises conveyed from Judith K. Mullikin-Fernandez to Martin Fernandez in a Quitclaim Deed dated 08-07-2012 and recorded on 08-21-2012 in Instrument Number 3636641 of the official records (“the Property”), submitted a Notarized Petition Request on June 5, 2022, with the Clerk of the Blue Ridge Domestic Water Improvement District (“the District”), asking that their Property be excluded from the District, pursuant to Arizona Revised Statutes Title 48, Chapter 6; section 1014 C.,

WHEREAS, the Board of Directors of the District has performed a records search with the Offices of the Coconino County Recorder and the Coconino County Assessor and confirmed that the Requesters are the legal Owners of the Property and that all Property Owners have signed the Request, and

WHEREAS, the Board of Directors of the District finds that the legal requirements for exiting from the District have been met and the exclusion of the Property from the District will not be a detriment to the public convenience, necessity, and welfare,

NOW, THEREFORE, THE DISTRICT BOARD OF DIRECTORS RESOLVES that the Property described on the attached legal description is hereby declared to be excluded from the District.

The Board of Directors hereby directs that a copy of this Resolution shall be recorded in the Office of the Coconino County Recorder, and the BRDWID Clerk of the District shall mail a copy of the recording of this order to the Arizona Department of Revenue, the Clerk of the Coconino County Board of Supervisors, and the Coconino County Assessor.

PASSED AND ADOPTED ON July 11, 2022

To Be Signed by: John Ritter, Chair Attested By: Sue Ann Davis, Clerk and Secretary

John Ritter reported that **Resolution 2022-7-11 SPR LOT 8** had passed and would be recorded in the Office of the Coconino County Recorder, and the BRDWID Clerk would send the recorded Resolution to the Clerk of the Coconino County Board of Supervisors, the Coconino County Assessor, and the Arizona Department of Revenue.

**4.3 Petition to Exit the District from Timothy & Rhonda Williams, Trustees of The Williams Family Trust, Owner of Starlight Pines Unit 2 Phase 1 Lot 73, APN 403-78-019**

Petitioner Rhonda Williams was present at the Telephonic Hearing.

Mike Bourne reported that the Petitioner and the District had completed all Arizona Revised Statute Title 48 eligibility requirements to leave the District. Mike read Williams Petition Exhibits C and D aloud into the record.

Exhibit C

*We submitted an opt out request for our home located at 4555 Hackamore Way (lot 74 Starlight Pines) which has been approved by the district. For the same reasons listed prior, we wish to opt out the lot next door to our home – lot 73. Brief summary of reasons: 1. We don't believe the district was legally formed in the first place – possible voter fraud. 2. No appraisal was performed [sic] on Starlight Water Company – are we overpaying? 3. No physical inspection has taken place of the assets / infrastructure – it is an aging system and may require substantial capital improvements which hasn't been budget for. 4. Potential conflicts of interest regarding the various parties and the provisions contained in the original purchase agreement to retain SUMC – Wene family conflict.*

Exhibit D

*We submitted an opt out request for our home at 4555 Hackamore Way (log 74 Starlight Pines) which has been approved by the district. For the same reasons listed prior, we wish to opt out the lot next door to our home – lot 73. Main reason listed prior was that we don't want our lot to be subject to taxation, lien, etc. While we support a locally controlled water company, we have concerns regarding the proposed sale of Starlight Water Company to the district.*

Petitioner Rhonda Williams added no comments to her statements in Exhibits C and D.

**Motion 4.3: To** allow Starlight Pines Lot 73, APN 403-78-019, to exit from the Blue Ridge Domestic Water Improvement District. **Action:** Approve. **Moved by** John Ritter **Seconded by** Sue Davis. **The Motion passed unanimously.** Ayes: 5 No's: 0

Mike Bourne read **Resolution 2022-7-11 SP Lot 73** aloud into the Record.

**BLUE RIDGE DOMESTIC WATER IMPROVEMENT DISTRICT  
RESOLUTION 2022-7-11 SP LOT 73**

**RESOLUTION AND ORDER FOR THE EXIT OF PROPERTY FROM THE DISTRICT**

WHEREAS, Timothy R. Williams and Rhonda R. Williams, as Co-Trustees of The Williams Family Trust, U/A dated August 9, 2008, ("the Requesters"), owner of Starlight Pines, Lot 73, APN 403-78-019, 4499 Hackamore Way, Happy Jack, AZ, 86024, ("the Property"), submitted a Notarized Petition Request on June 17, 2022, with the Clerk of the Blue Ridge Domestic Water Improvement District ("the District"), asking that their Property be excluded from the District, pursuant to Arizona Revised Statutes Title 48, Chapter 6; section 1014 C.,

WHEREAS, the Board of Directors of the District has performed a records search with the Offices of the Coconino County Recorder and the Coconino County Assessor and confirmed that the Requesters are the legal Owners of the Property and that all Property Owners have signed the Request, and

WHEREAS, the Board of Directors of the District finds that the legal requirements for exiting from the District have been met and the exclusion of the Property from the District will not be a detriment to the public convenience, necessity, and welfare,

NOW, THEREFORE, THE DISTRICT BOARD OF DIRECTORS RESOLVES that the Property described on the attached legal description is hereby declared to be excluded from the District.

The Board of Directors hereby directs that a copy of this Resolution shall be recorded in the Office of the Coconino County Recorder and that the Clerk of the District shall mail a copy of the recording of this order to the Arizona Department of Revenue, the Clerk of the Coconino County Board of Supervisors, and the Coconino County Assessor.

PASSED AND ADOPTED ON July 11, 2022

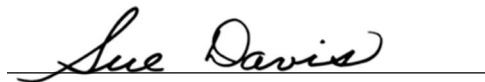
To Be Signed by: John Ritter, Chair Attested By: Sue Ann Davis, Clerk and Secretary

John Ritter reported that **Resolution 2022-7-11 SP LOT 73** had passed and would be recorded in the Office of the Coconino County Recorder, and the BRDWID Clerk would send the recorded Resolution to the Clerk of the Coconino County Board of Supervisors, the Coconino County Assessor, and the Arizona Department of Revenue.

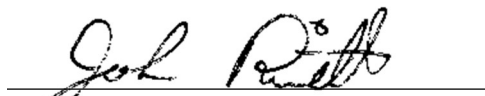
**5. Adjournment.**

**Motion:** To Adjourn the Hearing **Action:** To Accept **Moved by** John Ritter. **Seconded by** Ron Krug. **The Motion passed unanimously:** Ayes: 5 No's: 0

Chair John Ritter thanked all for attending and adjourned the Hearing at 2:37 p.m.

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

Prepared on July 31, 2022

  
John Ritter, Board Chair  
Blue Ridge Domestic Water Improvement District

Board Approved on: August 20, 2022