

Blue Ridge Domestic Water Improvement District (BRDWID)
Minutes of the Public Telephonic Hearing
June 2, 2022, at 4:00 p.m.
Starlight Pines Community Center, 2740 Arapaho Drive, Happy Jack, AZ 86024
The meeting was held by telephone only.
Call-in number: 630-424-4734; Toll free 800-920-7487, Pin 76217278#

1. Call to order, Roll Call, and Quorum

Board Chair Ritter called the Hearing to order at 4:02 p.m. and reported that two call in phone numbers had been sent out by accident: 720-740-9623 with PIN 5894439# had been sent to those petitioning to Opt Out of the District and 630-740-9623 or 800-920-7487 with PIN 5894439# had been sent out with the E-blast Notice and Agenda. John Ritter asked everyone to call in on to 720-740-9623 with PIN 5894439#.

Board Members Present

John Ritter, Mike Bourne, and Sue Davis were present on the phone.
Ronald Krug called in at 4:47 p.m.

Board Members Absent

Paul Schmidt

Others present by calling in

Rhonda & Jesus Adame, PC Lots 138 & 139

Matt Porter, SPR Lot 10

H. Laird Mason & Jeri A. Sinclair, SP Lot 342

Robert & Christine Schmidt, PC Lots 124 & 125

Victor Bravo, SP Lot 275

Christine Turner, SP Lot 339

Jon & Gail Kelsey, SPR Lot 18

Charlotte Kelly & Mary Poquette, PC Lot 157

Joe Zambito, SP Lot 269

Edward & Moire Huss, PC Lots 149 & 150

Rod Watson, SPR Lot 4

Robert Campos, SPR Lot 87

David Wang, PC Lot 80

Matt Porter reported that a number of people were trying to call in to 630-740-9623. He agreed to call them and ask them to call 720-740-9623 to be connected to the functioning call.

Quorum

Chair John Ritter determined that three of five Board Members were present and wished to go ahead with the Hearing. Mike Bourne confirmed that correct call-in phone number 720-740-9623 had been published in documented newspaper ads and distributed in writing to the three petitioners. The correct call-in phone number, 720-740-9623, had been mailed to owners of properties within a 600-foot radius of the properties petitioning to be removed from the District. The three petitioners were present by phone.

Chair Ritter called the Hearing to order at 4:42 p.m.

2. Accept Agenda as Presented

Motion: Accept Agenda as presented **Action:** Accept **Moved by** Sue Davis. **Seconded by** Mike Bourne **The Motion passed unanimously.** Ayes: 3 No's: 0 Absent: Ron Krug and Paul Schmidt.

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

Chair John Ritter reported that he had received a letter on June 2 from Victor Bravo. The letter did not reference the Opt Out Petitions on today's Agenda. John said he would give the letter to Clerk Sue Davis. Sue reported that she had not received any surface mail or email regarding today's Petitions.

Jesus Adame, Owner of Pine Canyon Lots 138 and 139, asked the Board to explain his opting out and how it affected his neighbors within a 600-foot radius of his lots.

Treasurer Mike Bourne responded that a number of property owners in the neighborhood of Lots 138 and 139 are in the District. BRDWID is required by law to notify the area property owners. The law doesn't define that area, so to keep it reasonable for expenses and to keep the people in the immediate area advised of what is going on, the District chose 600 feet which is typical of most municipalities for special project public noticing. Property owners in the immediate area who are either in or not in the District need to know if a property adjacent to them is opting out and could possibly isolate them. They would have to petition to be back in the District. The District is required to notify area property owners around a subject property of this boundary alteration process.

Mike Bourne responded to questions from a number of unidentified callers. Property owners who leave the District would still receive water. The water system could serve up to 1,600 lots. Every lot had equal opportunity to the water. The Blue Ridge Domestic Water Improvement District (BRDWID) was created by the Coconino County Board of Supervisors as a locally controlled public utility, governed by an appointed five-member Board of Directors of Blue Ridge property owners. The District wants to buy the assets of the privately-owned Starlight Water Co—the current Blue Ridge water provider—and Starlight Water wants to sell its assets to the District. But the Arizona Corporation Commission (ACC) has to approve the sale and has yet to set a final Hearing date. All property owners currently receiving water from Starlight Water will continue to receive water from BRDWID when the ACC approves the asset sale and Starlight Water assets are transferred to BRDWID. The water rates for property owners in or out of the District will be the same. Members of the District are entitled to vote to elect members to the District Board of Directors and to be elected to serve on the Board. It's very important that the members of the Board are elected by the local community and make local decisions about how the water system is operated.

Robert Campos interjected that there had never been an election of a water District board. This Board still didn't know how it was going to proceed with one. There were still issues. A limited number of homeowners out of those 1,600 property owners could actually qualify to vote and a limited number of people could qualify to run for the Board. Being in the District meant that you can be taxed. If you're not in the District, you can't. If you're in the District, there's eminent domain. This water board can actually take property and use it for the interests of the rest.

Mike Bourne responded that there had never been a water district in this state that had ever exercised eminent domain.

At 4:47 p.m. Board Vice President Ron Krug announced that he had joined the call and thought he had heard everything that had been said so far in Agenda Item 3.

Chair John Ritter brought Ron Krug up to speed on current meeting business.

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

Treasurer Mike Bourne reported that he had received four Petitions from three District property owners who wished to have their properties exit the District.

4.1 Petition from Owners of Pine Canyon Lot 138

Jesus Adame and Rhonda Adame, owners of Lot 138 in Pine Canyon Unit 02, Assessor Parcel Number (APN) 403-86-063 signed their Petition (Exhibit A) to exit the District on April 26, 2022. A Map and Legal Description of Lot 138 (Exhibit B) was included. The Adame Petition included a Description of the Necessity for the Boundary Alteration (Exhibit C). The Adame Petition did not include Exhibit D, a Description of how the public convenience, necessity or welfare would be promoted by the alteration of the District boundary. Mike believed the Board got the gist of why the Adames want out of the District. They didn't want to be subject to tax levies. The District had met the 40-day timeline for the Hearing.

Sue Davis asked to what extent was Exhibit D a requirement in the Petition packet? Jesus Adame responded that he had sent in what the website required but had not included a plat and Mike Bourne had responded in a letter to him that all the Adames needed to do was send in a plat and he had done that. Mike Bourne confirmed that Mr. Adame had sent in just what Mike had asked him to send in. John Ritter commented that while the Petition package was missing a required document, the Board gets the gist that the Adames want out of the District. Mike Bourne agreed. The Adames' description in Exhibit C satisfied much of the requirements of Exhibit D. Sue Davis and Mike Bourne agreed that the requirements for completing Exhibits C and D were repetitious and that the Board should not stand in the way of property owners wanting to opt out. Jesus Adame commented that the only reason he wanted to opt out was because his property was in Pine Canyon where he had fire hydrants, a water system that worked well, and a tank. He didn't need any improvements. He could understand people wanting to form a water system to get those amenities, but he already had them. He had paid for them when he bought his property and his cabin.

Mike Bourne explained that the water system in Pine Canyon was owned by the Starlight Water Co. who the Adames had signed up with when they bought their cabin and was currently providing the Adames their water. The District was formed to purchase the assets of Starlight Water Company who wanted to sell to a locally governed public utility.

Christine Turner asked if it was easy for a property to simply opt in.

Mike Bourne answered, yes, if you shared a boundary with an adjacent lot that was in the District. If your property did not share a boundary with another District property, the process was more complicated.

Sue Davis explained to the Adames that individual property owners did not own the fire hydrants, water wells, pumps, pipes, and tanks in Pine Canyon. Starlight Water Co. owned them, and Starlight Water wanted to sell those assets to the BRDWID, a locally owned, public water utility.

John Ritter summarized that Starlight Water Co. owned all of the water assets—the wells, the pump houses, the property under the wells, and all of the distribution systems. The HOAs basically had nothing to do with the water system.

Ron Krug added that he had heard Mr. Adame say he wanted to avoid charges for improvements. Ron Krug wanted to make sure that it's clear that if water rates have to be increased in order to keep the system functional, that increase would affect everybody receiving water, regardless of whether they're in or out of the District.

Jesus Adame said he would abide by any ordinances, any changes, anything that the water system brought forward and understood that the hydrants, wells, tanks, and the water system were not his.

Motion 4.1: To approve Resolution 2022-6-2 PC Lot 138 to allow Pine Canyon Lot 138, APN 403-86-063, to exit the Blue Ridge Domestic Water Improvement District. **Action:** Approve. **Moved by** John Ritter who then read the Resolution aloud into the Record.

**BLUE RIDGE DOMESTIC WATER IMPROVEMENT DISTRICT
RESOLUTION 2022-6-2 PC LOT 138**

RESOLUTION AND ORDER FOR THE EXIT OF PROPERTY FROM THE DISTRICT

WHEREAS, Jesus Adame and Rhonda Adame, as Trustees of the Adame Living Trust DTD 05-19-2021, ("the Requesters"), owner of Pine Canyon Unit 2, Lot 138, APN 403-86-063, 4467 Stargazer Drive, Happy Jack, AZ, 86024, ("the Property"), submitted a Notarized Request on April 26, 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 June 2, 2022

By: _____
John Ritter, Chair

ATTEST: _____
Sue Ann Davis, Clerk and Secretary

Coconino County Parcel Number:
APN: 403-86-063

Legal Description
Account: R0009992

Situs Address 4467 STARGAZER DR
City HAPPY JACK
Tax Area 0506 - SD#5 FD BLUE RIDGE/WID-BLUE RIDGE DOMESTIC
Parcel Number 403-86-063
Legal Summary Subdivision: PINE CANYON UNIT 02 Lot: 138 Sixteenth: NW Quarter: SW Section: 06 Township: 14N Range: 12E
Neighborhood 05.03 - STARLIGHT PINES-BLUE RIDGE-MOGOLLON RANCH-TAMARRON PINES-PINE CANYON - TIMBER RIDGE RANCH

Owner Name ADAME LIVING TRUST DTD 05-19-21
Owner Address 321 W ENCANTO BLVD
PHOENIX, AZ 85003

Seconded by Mike Bourne. The Motion passed unanimously. Ayes: 4 No's: 0 Absent: Paul Schmidt.

John Ritter reported that the Resolution passed. Pine Canyon Lot 138 was excluded from the District.

4.2 Petition from Owners of Pine Canyon Lot 139

Motion 4.2: To approve Resolution 2022-6-2 PC Lot 139 to allow Pine Canyon Lot 139, APN 403-86-064, to exit the Blue Ridge Domestic Water Improvement District. **Action:** Approve. **Moved by** John Ritter who then read the Resolution aloud into the Record.

BLUE RIDGE DOMESTIC WATER IMPROVEMENT DISTRICT RESOLUTION 2022-6-2 PC LOT 139

RESOLUTION AND ORDER FOR THE EXIT OF PROPERTY FROM THE DISTRICT

WHEREAS, Jesus Adame and Rhonda Adame, as Trustees of the Adame Living Trust DTD 05-19-2021, ("the Requesters"), owner of Pine Canyon Unit 2, Lot 139, APN 403-86-064, 4425 Stargazer Drive, Happy Jack, AZ, 86024, ("the Property"), submitted a Notarized Request on April 26, 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 June 2, 2022

By: _____
John Ritter, Chair

ATTEST: _____
Sue Ann Davis, Clerk and Secretary

Coconino County Parcel Number:
APN: 403-86-064

Legal Description
Account: R0023119

Situs Address 4425 STARGAZER DR City HAPPY JACK Tax Area 0506 - SD#5 FD BLUE RIDGE/WID-BLUE RIDGE DOMESTIC Parcel Number 403-86-064 Legal Summary Subdivision: PINE CANYON UNIT 02 Lot: 139 Sixteenth: NW Quarter: SW Section: 06 Township: 14N Range: 12E Neighborhood 05.03 - STARLIGHT PINES-BLUE RIDGE-MOGOLLON RANCH-TAMARRON PINES-PINE CANYON - TIMBER RIDGE RANCH	Owner Name ADAME LIVING TRUST DTD 05-19-21 Owner Address 321 W ENCANTO BLVD PHOENIX, AZ 85003
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Seconded by Mike Bourne. The Motion passed unanimously. Ayes: 4 No's: 0 Absent: Paul Schmidt.

John Ritter reported that the Resolution passed. Pine Canyon Lot 139 was excluded from the District. Jesus Adame thanked the Board.

4.3 Petition from Owners of Starlight Pines Ranchettes Lot 10

Mike Bourne reported that Matt and Marie Porter had submitted a Petition on April 22, 2022, to exit the District. The package was complete, included a map, showed the District boundaries and APN information, and included Exhibits C and D. Mike Bourne read Exhibits C and D aloud.

Motion 4.3: To approve Resolution 2022-6-2 SPR Lot 10 to allow Starlight Pines Ranchettes Lot 10, APN 403-83-010, to exit the Blue Ridge Domestic Water Improvement District. **Action:** Approve.

Moved by John Ritter who then read the Resolution aloud into the Record.

BLUE RIDGE DOMESTIC WATER IMPROVEMENT DISTRICT RESOLUTION 2022-6-2 SPR Lot 10

RESOLUTION AND ORDER FOR THE EXIT OF PROPERTY FROM THE DISTRICT

WHEREAS, Matthew M. Porter and Marie Brinton Porter, Husband and Wife, as Community Property with Right of Survivorship, ("the Requesters"), owners of Starlight Pines Ranchettes Unit One, Lot 10, APN 403-83-010, 4962 Morning View Drive, Happy Jack, AZ, 86024, ("the Property"), submitted a Notarized Request on April 22, 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 June 2, 2022

By: _____
John Ritter, Chair

ATTEST: _____
Sue Ann Davis, Clerk and Secretary

Coconino County Parcel Number:
APN: 403-83-010

Legal Description
Account: R0043134

Situs Address 4962 MORNING VIEW DR
City HAPPY JACK
Tax Area 0506 - SD#5 FD BLUE RIDGE/WID-BLUE RIDGE DOMESTIC
Parcel Number 403-83-010
Legal Summary Subdivision: STARLIGHT PINES RANCHETTES UNIT 01 Lot: 10 Sixteenth: NW Quarter: NE Section: 07 Township: 14N Range: 12E
Neighborhood 05.03 - STARLIGHT PINES-BLUE RIDGE-MOGOLLON RANCH-TAMARRON PINES-PINE CANYON - TIMBER RIDGE RANCH

Owner Name PORTER MATTHEW M & MARIE BRINTON
Owner Address 3540 S CAMELLA PL
CHANDLER, AZ 85248

Seconded by Mike Bourne. The Motion passed unanimously. Ayes: 4 No’s: 0 Absent: Paul Schmidt.

John Ritter reported that the Resolution passed. Starlight Pines Ranchettes Lot 10 was excluded from the District.

Matt Porter thanked the Board.

4.4 Petition from Owners of Starlight Pines Lot 342

Mike Bourne reported that Jeri Sinclair Mason and H. Laird Mason had submitted a Petition on May 13, 2022, to exit the District. We received a previous request that was not complete, so we exchanged this request for the earlier one. This package was complete, included a legal description and a map, showed the District boundaries and APN information, and included Exhibits C and D. Mike Bourne read Exhibits C and D aloud. The Masons had been included in the District without their returning an affirmative Petition.

Chair John Ritter commented that the Masons wished to leave the District. The Board should honor their wishes and remove them from the District.

Motion 4.4: To approve Resolution 2022-6-2 Starlight Pines Lot 342 to allow Starlight Pines Lot 342, APN 403-31-017, to exit the Blue Ridge Domestic Water Improvement District. **Action:** Approve. **Moved by** John Ritter who then read the Resolution aloud into the Record.

**BLUE RIDGE DOMESTIC WATER IMPROVEMENT DISTRICT
RESOLUTION 2022-6-2 SP Lot 342**

RESOLUTION AND ORDER FOR THE EXIT OF PROPERTY FROM THE DISTRICT

WHEREAS, H. Laird Mason, the Owner, and H. Laird Mason and Jeri A. Sinclair Mason, Joint Tenants with Right of Survivorship (“the Requesters”), of Starlight Pines Unit Three, Lot 342, APN 403-31-017, 3898 Starlight Drive, Happy Jack, AZ, 86024, (“the Property”), submitted a Notarized Request on May 13, 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 Owner and the Joint Tenants with Right of Survivorship 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 June 2, 2022

By: _____
John Ritter, Chair

ATTEST: _____
Sue Ann Davis, Clerk and Secretary

Coconino County Parcel Number:
APN: 403-31-017

Legal Description
Account: 53R00000

Situs Address 3898 STARLIGHT DR
City HAPPY JACK
Tax Area 0506 - SD#5 FD BLUE RIDGE/WID-BLUE RIDGE DOMESTIC
Parcel Number 403-31-017

Owner Name SINCLAIR JERI A
In Care Of Name H LAIRD MASON
Owner Address 7335 E SIERRA MORENA CIR
MESA, AZ 85207

Legal Summary Subdivision: STARLIGHT PINES UNIT 03
Lot: 342 Sixteenth: NW Quarter: NE Section: 31 Township:
15N Range: 12E

Neighborhood 05.03 - STARLIGHT PINES-BLUE RIDGE-MOGOLLON RANCH-
TAMARRON PINES-PINE CANYON - TIMBER RIDGE RANCH

Seconded by Mike Bourne. **The Motion passed unanimously.** Ayes: 4 No's: 0 Absent: Paul Schmidt.

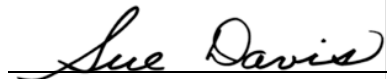
John Ritter reported that the Resolution passed. Starlight Pines Lot 342 was excluded from the District.

John Ritter reported that all four Resolutions would be recorded in the Office of the Coconino County Recorder and that a recorded Resolution would be sent 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. **Roll Call Vote:** Ayes: 4 No's: 0 Absent: Paul Schmidt **The Motion passed unanimously.**

Chair Mike Bourne thanked all for attending and adjourned the Hearing at 5:42 p.m.



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

Prepared on June 14, 2022

John Ritter, Board Chair
Blue Ridge Domestic Water Improvement District

Board Accepted on: _____

