

Blue Ridge Domestic Water Improvement District (BRDWID)

Minutes of the Public Hearing to Exit the District

December 10, 2022, at 2:00 P.M.

At the Starlight Pines Community Center, 2740 Arapaho Drive, Happy Jack

Call-in number: 720-740-9623, Pin 5894439#

1. Call to Order

Board Chair John Ritter called the Public Hearing to order at 2:03 P.M.

Roll Call of Board Members Present

John Ritter, Ron Krug, Sue Davis, Mike Bourne, and Paul Schmidt.

Quorum

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

Others present in person: Brian Willia

Others present on the phone: Albert and Lori Becko and Denise Stansbury

2. Accept Hearing Agenda as Presented

Motion: Accept Agenda as presented **Moved by:** John Ritter. **Seconded by:** Sue Davis

Action: To Accept the Motion **Those voting Aye:** John Ritter, Ron Krug, Sue Davis, Mike Bourne, and Paul Schmidt. **Those voting No:** None. **The Motion passed unanimously.** Ayes: 5 No's: 0.

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

No calls from the Public

4. Discuss the Petition to allow Pine Canyon Lot 214 to Exit the District.

4.1 Petition to Exit the District from Albert Joseph Becko and Lori J. Becko, Owners of Pine Canyon Lot 214, APN 403-16-049

Mike Bourne reported that the required newspaper publications were done. The District notified property owners within 600 feet of Pine Canyon Lot 214 that Lot 214 had filed a petition to exit the District. Albert and Lori Becko were present at the Hearing by telephone. Mike Bourne reported that the Petitioner and the District had completed all Arizona Revised Statutes Title 48 eligibility requirements to leave the District.

John Ritter read the Becko's Petition Exhibits C and D aloud.

Exhibit C:

The water district was not appropriately appraised before sales price was defined.

We were not informed or made aware of tax liabilities and assessments as members of the district.

Conflicting legal representation between the buyer and seller.

Therefore we request to opt out of the BRDWID.

Exhibit D:

We request to opt out as stated in exhibit C. We were not made aware of taxes and assessments and other associated cost to only those members of the district. Lack of appraisal, legal conflicts, and assessments are concerns about how it is currently being promoted.

Mike Bourne asked Albert Becko to explain how and why his opinions had changed about his being a member of the District. Albert Becko said he had attended some of the early District meetings. He didn't think the purchase price had been arrived at properly without an appraisal and negotiations that

took into account the cost of repairs. He believed in the concept but thought there should have been more due diligence about negotiating a fair price.

John Ritter asked Albert Becko what would make him feel comfortable about an appraisal. When you buy a house, you normally get an appraisal that looks at comparable sale prices in the neighborhood. We looked at comparable sale prices of water companies in Arizona. Albert Becko replied that he had pulled out of buying some houses or negotiating a lower price after getting comparable sales in a neighborhood. He didn't think the District had done its due diligence in finding an accurate price through an appraisal.

Sue Davis asked Albert about his statement in Exhibit D about "assessments" as a revenue source. The District has never mentioned charging Assessments to Members as a source of revenue. The District does not plan to tax members as a revenue source nor charge members "assessments" as an HOA charges its members.

Paul Schmidt stated that the value of the company was looked at as far as assets both appreciated and undepreciated and a return on those assets. Also as John mentioned all the water sales of several companies within Arizona on a cost per connection basis were looked at in determining the fairness of the purchase price and there was negotiation on the purchase. There wasn't very much movement on the purchase price but cash on hand was negotiated on an increased basis. The value of the company was looked at.

Sue Davis didn't believe in keeping a member from leaving the District if they wanted to leave the District. Albert Becko has explained his preference clearly.

Motion 4.1: To approve Albert and Lori Becko's Petition to allow Pine Canyon Lot 214, APN 403-16-049, to exit the Blue Ridge Domestic Water Improvement District. **Moved by** Sue Davis **Seconded by** John Ritter. **Action:** Approve the Motion. **Roll Call Vote:** John Ritter, Ron Krug, Sue Davis, Mike Bourne, and Paul Schmidt voted Yes. **Those voting No:** None. **The Motion passed unanimously.** Ayes: 5 No's: 0.


Mike Bourne appreciated the Petitioner filling out the application and appearing at the meeting. Albert Becko thanked the Board for listening and responding to him.

The Resolution allowing Pine Canyon Lot 214, APN 403-16-049, to exit the Blue Ridge Domestic Water Improvement District will be signed, attached to these Minutes, recorded with the Coconino County Recorder and filed with the Arizona Department of Revenue.

5. Adjournment.

Motion: To Adjourn the Hearing **Moved by** John Ritter. **Seconded by** Ron Krug. **Action:** To Approve the Motion **Those voting Yes:** John Ritter, Ron Krug, Sue Davis, Mike Bourne, and Paul Schmidt. **Those voting No:** None. **The Motion passed unanimously.** Ayes: 5 No's: 0.

Chair John Ritter thanked all for attending and adjourned the Hearing at 2:15 P.M.



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

Prepared on December 13, 2022



John Ritter, Board Chair
Blue Ridge Domestic Water Improvement District

Board Approved on: _____

Attachment to these Minutes

**BLUE RIDGE DOMESTIC WATER IMPROVEMENT DISTRICT
RESOLUTION 2022-12-10 PC LOT 214 Becko**

RESOLUTION AND ORDER FOR THE EXIT OF PROPERTY FROM THE DISTRICT

WHEREAS, Albert Joseph Becko and Lori J. Becko, husband and wife, (“the Requesters”), owners of Pine Canyon Unit 3 Lot 214, APN 403-16-049, as Community Property with Right of Survivorship, Situs Address: 1846 Sugar Pine Drive, Happy Jack, AZ, 86024, (“the Property”), submitted a Notarized Petition Request on October 3, 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 December 13, 2022

By: 
John Ritter, Chair

ATTEST: 
Sue Ann Davis, Clerk and Secretary

Coconino County Parcel Number:
APN: 403-16-049

Legal Description
Account: R0054061

Situs Address 1846 SUGAR PINE DR	Owner Name BECKO ALBERT JOSEPH & LORI J
City HAPPY JACK	Owner Address 800 W SYCAMORE CT
Tax Area 0506 - SD#5 FD BLUE RIDGE/WID-BLUE RIDGE DOMESTIC	LITCHFIELD PARK, AZ 85340
Parcel Number 403-16-049	
Legal Summary Subdivision: PINE CANYON UNIT 3 Lot: 214 Sixteenth: NW Quarter: NW Section: 06 Township: 14N Range: 12E	
Neighborhood 05.03 - STARLIGHT PINES-BLUE RIDGE-MOGOLLON RANCH-TAMARRON PINES-PINE CANYON - TIMBER RIDGE RANCH	