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Special Dist Cord
John G. Gue
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RESOLUTION NO. 94-89

BLUE RIDGE SEWER IMPROVEMENT DISTRICT
NAVAJO COUNTY, ARIZONA

RESOLUTION OF THE BOARD OF DIRECTORS OF THE BLUE RIDGE SEWER IMPROVEMENT DISTRICT PROVIDING FOR THE AMENDMENT TO THE ASSESSMENTS, CAUSING THE TERMINATION OF LEVY AND COLLECTION OF ANNUAL INSTALLMENTS OF PRINCIPAL OR INTEREST ON THE BLUE RIDGE SEWER IMPROVEMENT DISTRICT ASSESSMENT AREAS 1B, 3B AND 5B1 SEWER IMPROVEMENT BONDS, DECLARING SAID BONDS PAID IN FULL, AND PROVIDING FOR THE DISTRIBUTION OF THE SURPLUS FUNDS REMAINING IN THE BOND REDEMPTION FUNDS AND OTHER FUNDS FOR SUCH ASSESSMENT AREAS

WHEREAS, the Blue Ridge Sewer Improvement District, a municipal corporation formed pursuant to A.R.S. Section 11-701 (now A.R.S. 48-901 et seq.) has heretofore formed Assessment Areas 1B, 3B and 5B1 and has constructed collector sewers and related appurtenant facilities within the boundaries of said Assessment Areas, the cost of said construction and all incidental expenses being paid through revenues derived from Assessments and the issuance and sale of the Sewer Improvement Bonds of each respective Assessment Area; and

WHEREAS, there has only been one Sewer Improvement District Bond issued for each Assessment Area; and

WHEREAS, the three Assessment Area Bonds were issued and sold by Blue Ridge Sewer Improvement District to the Navajo County Industrial Development Authority pursuant to an agreement between said Authority and the Blue Ridge Sewer Improvement District; and

WHEREAS, due to prudent management of the Special Bond Funds of each Assessment Area, investment of interest earnings on the Special Bond Funds of each Assessment Area, and early payoffs of assessments by property owners within each Assessment Area, funds were derived which were used to make principal and interest payments on the Bonds of Assessment Areas 1B, 3B and 5B1 which resulted in a premature redemption of the Bonds of the Navajo

County Industrial Development Authority known as the Industrial Development Authority of the County of Navajo, Sewer Improvement Bonds First Issue of 1981 (Blue Ridge Sewer Improvement District Project.)

WHEREAS, pursuant to the Paying Agent and Depository Trust Agreement dated the 18th day of June, 1981 by and between the Blue Ridge Sewer Improvement District, the Industrial Development Authority of Navajo County and the Valley National Bank of Arizona, as soon as the Industrial Development Bonds are fully paid, whether at maturity or prior thereto, and all fees and expenses of the Trustee are paid, all unpaid installments of Principal and Interest on the bonds of Assessment Areas 1B, 3B and 5B1 shall be deemed fully paid and all of the District's Bonds then held by the Trustee shall be returned to the District; and

WHEREAS, Section 8 of the aforesaid agreement further provides that when the Industrial Development Authorities Bonds, as described herein, are fully paid any surplus funds and securities held in the Paying Agents account shall be transferred to the Treasurer of Navajo County for the benefit of the respective Assessment Areas 1B, 3B, and 5B1; and

WHEREAS, all principal and interest of the Blue Ridge Sewer Improvement District Assessment Areas 1B, 3B and 5B1 Sewer Improvement Bonds have been deemed paid in full and said Bonds have been or soon will be returned to the Treasurer of Navajo County; and

WHEREAS, by agreement of this District with the Pinetop-Lakeside Sanitary District, said Pinetop-Lakeside Sanitary District is entitled to any funds remaining in the Bond Fund of the Blue Ridge Sewer Improvement District for Assessment Areas 1B, 3B, and 5B1 following the complete retirement of the outstanding bonds, which would include such funds as may be returned from the Paying Agent; and

WHEREAS, pursuant to Arizona Revised Statutes Section 48-937E, payments of installments of assessments have been received prior to the due date and applied to the redemption of bonds within Assessment Areas 1B, 3B, and 5B1; and

WHEREAS, the Blue Ridge Sewer Improvement District Assessment Areas 1B, 3B, and 5B1 Sewer Improvement Bonds have been received by the District marked "Paid in Full", a copy being attached hereto; and

WHEREAS, all surplus funds collected during the term of the aforesaid Bonds have been applied to payment of principal and interest on the Bonds, thereby decreasing the amount of principal to be paid on the Bond and the net effective rate of interest to be paid by the property owners, and there exists a surplus remaining in the Bond Fund, consisting of amounts not sent to the Paying Agent and amounts returned from the Paying Agent which amounts are to be immediately transferred to the Pinetop-Lakeside Sanitary District; and

WHEREAS, Arizona Revised Statutes Section 48-938 limits special assessment installments collected to payment of principal and interest on the Bonds, except as provided by Arizona Revised Statutes Sections 48-935(H), 48-958 and 48-984; and

WHEREAS, there remain no further installments of principal and interest on the Blue Ridge Sewer Improvement District Assessment Areas 1B, 3B and 5B1 Sewer Improvement Bonds to pay.

WHEREAS, because of unequal annual assessment installments being charged, and the amount of prepayments and payoffs differing within each Assessment Area the percentage of the amount of principal paid on the bonds issued and sold by each assessment area is different; and

WHEREAS, the Board of Directors has found that since all three assessment area projects occurred at the same time and all were funded from

a common source that is is in the best interest of the Blue Ridge Sewer Improvement District that the percentage of principal paid on each assessment within each Assessment Area be equalized; and

WHEREAS, new assessment roles showing a new and final assessment for all parcels of property within each Assessment Area have been prepared; and

WHEREAS, by its resolution the Pinetop-Lakeside Sanitary District has expressed its intention to take the funds distributed to it pursuant to the Intergovernmental Agreement dated August 27, 1985, from and for the benefit of Assessment Areas 1B, 3B, and 5B1 and distribute the same, after retaining and paying the costs of these proceedings and its costs of making said distributions, in accordance with Arizona Revised Statutes Section 48-984(G); and

WHEREAS, the Board of Directors of the Pinetop-Lakeside Sanitary District, pursuant to a previous agreement with the Board of Directors of the Blue Ridge Sewer Improvement District, has hereby made a recommendation to the Board of Directors of the Blue Ridge Sewer Improvement District that this Resolution be adopted.

THEREFORE, BE IT RESOLVED THAT:

1. The Assessments for Assessment Areas 1B, 3B, and 5B1 are hereby modified, approved and accepted in the form attached hereto, each assessment reflecting the actual benefit received by the parcel of property so assessed.

2. The Superintendent of Streets and the other officers provided by law for the collection and enforcement of the general taxes levied by the Blue Ridge Sewer Improvement District are hereby instructed to levy no further annual assessment installments for the Blue Ridge Sewer Improvement District Assessment Areas 1B, 3B or 5B1. Said officers are directed to collect the remaining annual assessment installments heretofore levied and not yet collected.

3. The Superintendent of Streets is hereby ordered to release the lien of the assessment on all properties within the boundaries of the Blue Ridge Sewer Improvement District Assessment Areas 1B, 3B and 5B1 on which the total principal amount of the Assessment and all interest owing and due has been paid in full as of the

date hereof. For those parcels of property wherein there is a delinquency in the collection of any or all installments of principal or interest, the lien of the assessment shall remain in full force and affect until said delinquency is paid in full.

4. Pursuant to the agreement between the Pinetop-Lakeside Sanitary District and the Blue Ridge Sewer Improvement District any and all funds in the Blue Ridge Sewer Improvement District Special Bond Fund for Assessment Areas 1B, 3B or 5B1 or any funds received from the Paying Agent pursuant to the Paying Agent and Depository Trust Agreement dated June 18, 1981 shall be immediately paid to the Pinetop-Lakeside Sanitary District for distribution in accordance with its Resolution Number _____, the same being incorporated herein to the extent it described the proceedings to be taken.

5. All further collections of annual assessment installments owing and due from properties within Assessment Areas 1B, 3B and 5B1 or any other funds received by Assessment Areas 1B, 3B and 5B1, or the District for the benefit of said Assessment Areas shall, upon receipt by the Treasurer, be immediately paid to the Pinetop-Lakeside Sanitary District.

6. The indebtedness of the Blue Ridge Sewer Improvement District Assessment Areas 1B, 3B and 5B1 for the Sewer Improvement Bonds issued by, and in the name thereof, is hereby declared to be paid in full.

ADOPTED this 11th day of September, 1989.

BLUE RIDGE SEWER IMPROVEMENT DISTRICT

By 
Chairman

ATTEST:


Clerk

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