

**NAVAJO COUNTY BOARD OF SUPERVISORS MINUTES**  
**WEDNESDAY, OCTOBER 4, 2006**

**8:00 a.m. CALL TO ORDER:** Supervisor Brownlow led the Pledge of Allegiance and offered the invocation.

**PRESENT:** Supervisor Brownlow, Member; Supervisor DeSpain, Member, were present in the board chambers. Chairman Thompson attended telephonically on a speaker phone in the board chambers situated such that all audience members could hear his comments. Supervisor Tenney, Member, and Supervisor Deal, Member, were not present. Chairman Jesse Thompson requested that Supervisor Brownlow chair the meeting since he was present in the chambers.

**BOARD OF EQUALIZATION: Board of Equalization Session: Supervisor DeSpain made a motion** to enter into the Board of Equalization Session; motion seconded by Supervisor Thompson; vote unanimous approving the motion.

**Swearing in of Assessor, Appraiser and Petitioner:** Cammy Darris was reminded she is still under oath.

**Continuation of Randy Murph petition for review of real property valuation on APN109-02-184A previously recessed to obtain legal advice:** It was noted for the record that the petitioner, Randy Murph, was not present. Supervisor DeSpain reported that Mr. Murph currently has a lien on his property for \$122,000 and when clean up is completed by Terradynamics the lien could be over \$200,000. He reported that Mr. Murph submitted a petition because he felt his property is not marketable. He said that Mr. Murph had stated that when he bought the property he checked and found that the Arizona Department of Economic Quality (ADEQ) would clean it up at no cost but a subsequent law requires 10% payment by the owner. He discussed the history of the property stating Randy Murph purchased the property from Navajo County for back taxes and is now required to clean it up when he never pumped a gallon of gas. Supervisor DeSpain stated the responsibility of the clean up should be Whiting Brothers and their payment so far has only been \$10,000 each for three tanks. He said Mr. Murph is requesting relief on the property by setting the assessed valuation as less than \$1,000. He discussed the ADEQ UST program, stating that orphan tanks in Winslow (12) have been cleaned up at no cost to the property owner. He inquired if, as a Board of Equalization, they can place a no marketability value for a specific time period. Mel Bowers stated that it is hard not to be sympathetic to Mr. Murph's plight yet the Department of Revenue (DOR) directs how to establish the value of property through guidelines that Cammy Darris has followed. He stated the board is also bound by the guidelines provided by DOR. He stated that to simply value the property at \$1,000 or less to permit Mr. Murph to be eligible for a better opportunity for a program is not a criterion for establishing value and the DOR and ADEQ may try to overturn that determination because it was not based on appropriate consideration. He further stated that when the Supreme Court was faced with a similar issue they ruled that while a particular restriction may destroy marketability, a property has value to its owner and should be taxed. He said that simply because the remediation cost exceeds the value of the property, it does not mean the property is valueless. He stated that Mr. Murph recognizes there is some value to the property because his initial request was to reduce the value to \$6,500 and he read excerpts from Mr. Murph's appeal letter. He advised the BOE must make this decision following DOR guidelines.

Supervisor DeSpain stated that two years ago owners of similar property petitioned and the assessor gave a blanket reduction, inquiring if that principle would apply here. Cammy Darris stated that the income approach was used based on renting the property at \$500.00 per month and Mr. DeSpain stated he felt that approach would be appropriate. Ms. Darris stated that her office agrees that Mr. Murph should not be

responsible for this clean up yet that is not the BOE decision to make; they must value property. Supervisor Brownlow stated it is unfortunate Mr. Murph got caught in this process. He stated he believes the assessor has tried to be fair by setting the property value at \$6,500. **Supervisor DeSpain made a motion** to uphold the Assessor's decision; motion seconded by Chairman Thompson; vote unanimous approving the motion. Chairman Thompson stated he feels concern for the petitioner's situation on this valuation yet the board has to respond in accordance with the law. **Supervisor Brownlow made a motion** to return to regular session; motion seconded by Supervisor DeSpain; vote unanimous approving the motion.

**ELECTIONS:** Consideration and acknowledgment of receipt of the Proclamation issued by the Governor for the General Election and call for publication of Proclamation pursuant to A.R.S. 16-214: Kelly Dastrup advised that the board only has five days from receipt of the Governor's proclamation to acknowledge receipt and order the publication of it. **Supervisor DeSpain made a motion** to acknowledge receipt of the Proclamation issued by the Governor for the General Election and call for publication of the Proclamation pursuant to A.R.S. 16-214; motion seconded by Chairman Thompson; vote unanimous approving the motion.

**ADJOURN:** At 8:38 a.m., **Supervisor DeSpain made a motion** to adjourn the meeting; motion seconded by Chairman Thompson; vote unanimous approving the motion.

**APPROVED:**

**DATE:**

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**Jesse Thompson, Chairman**

**ATTEST:**

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**Clerk of the Board**