



1 BEFORE THE ARIZONA CORPORATION

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3 IN THE MATTER OF:)

4 TRI-CORE COMPANIES, LLC an Arizona)
5 limited liability company, et al.,)

) DOCKET NO.
) S-20867A-12-0459

6 Respondents.)

) PREHEARING
) CONFERENCE

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9 At: Phoenix, Arizona

10 Date: January 15, 2013

11 Filed: **JAN 30 2013**

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REPORTER'S TRANSCRIPT OF PROCEEDINGS

Arizona Corporation Commission
DOCKETED

JAN 30 2013

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1 BE IT REMEMBERED that the above-entitled and
2 numbered matter came on regularly to be heard before the
3 Arizona Corporation Commission, in Hearing Room 2 of
4 said Commission, 1200 West Washington Street, Phoenix,
5 Arizona, commencing at 11:03 a.m., on the 15th of
6 January, 2013.

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8 BEFORE: MARC E. STERN, Administrative Law Judge

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10 APPEARANCES:

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Division:

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16 For Tri-Core Companies, LLC, Tri-Core Business
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17 LLC, and Jason Todd Mogler:

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1 ALJ STERN: We're on the record in the matter of
2 Tri-Core Companies, et al., in Docket No.
3 S-20867A-12-0459.

4 My name is Marc Stern. I will preside over this
5 proceeding today.

6 At this time we'll take appearances. And on
7 behalf of the Securities Division.

8 MS. LUEDTKE: Stacy Luedtke.

9 ALJ STERN: All right.

10 MR. THRASHER: Bobby Thrasher. And I'm
11 appearing on behalf of the Tri-Core Companies, Jason
12 Mogler, ERC Investments, and ERC Compactors, Judge.

13 ALJ STERN: Okay. Let me make sure I have that.
14 Okay.

15 MR. THRASHER: And just so I can clear up the
16 record, Judge, when I meant Tri-Core Companies, it was
17 including the Tri-Core Business Development as well.

18 ALJ STERN: And so, Mr. Thrasher, you represent
19 Tri-Core Companies, LLC, Tri-Core Mexico Land
20 Development, LLC, Tri-Core Business Development, LLC?

21 MR. THRASHER: Correct.

22 MS. LUEDTKE: Not the land development. Not the
23 Mexico Land Development.

24 MR. THRASHER: Correct, Judge. And Jason
25 Mogler.

1 ALJ STERN: Wait, wait. She said --

2 MS. LUEDTKE: I don't think he heard you.

3 You don't represent Tri-Core Mexico Land
4 Development, right?

5 MR. THRASHER: No, Judge.

6 ALJ STERN: Oh, you don't?

7 MR. THRASHER: No.

8 ALJ STERN: So you represent just --

9 MR. THRASHER: Tri-Core Companies, Tri-Core
10 Business Development, ERC Compactors, Tri-Core -- excuse
11 me -- ERC Investments, and Jason Todd Mogler.

12 ALJ STERN: Is he married, or just --

13 MR. THRASHER: He is not married, Judge.

14 ALJ STERN: Okay. I just want to try and --
15 who's representing Tri-Core Mexico Land Development,
16 LLC?

17 MS. LUEDTKE: They have not filed an appearance,
18 so we're in the process of defaulting them.

19 ALJ STERN: And you represent Mr. Mogler, right?

20 MR. THRASHER: Yes, sir.

21 ALJ STERN: Okay. And --

22 MR. RYCRAFT: Good morning, Your Honor.

23 ALJ STERN: Yes, sir.

24 MR. RYCRAFT: I'm Dale Rycraft. I'm
25 representing C&D Construction only.

1 ALJ STERN: Okay. Just C&D, no individuals?

2 MR. RYCRAFT: I don't think there is any C&D
3 related individuals, Your Honor.

4 MS. LUEDTKE: No.

5 ALJ STERN: Okay. Who is --

6 MS. LUEDTKE: They should also make an
7 appearance.

8 MR. BUCKLEY: Brian Buckley and my wife Cheryl.

9 ALJ STERN: Okay. You're representing
10 yourselves?

11 MR. BUCKLEY: Yes, sir.

12 ALJ STERN: Okay. Has Mr. Polanchek or
13 Ms. Kordosky requested a hearing?

14 MS. LUEDTKE: No. Tri-Core Mexico Land
15 Development, Ms. Kordosky, Pangaea, and Mr. Polanchek
16 all have not appeared in any way in the litigation. We
17 are in the process of defaulting Tri-Core Mexico Land
18 Development, Ms. Kordosky, and Pangaea. We are in the
19 last phases of publicizing service to Mr. Polanchek,
20 which will be done by the end of this month.

21 So I kind of thought it might be better to set
22 it over until maybe Mr. Polanchek has an opportunity to
23 appear or not appear so that we're not duplicating
24 efforts.

25 ALJ STERN: So there's four -- two individuals

1 and two entities that haven't requested hearings.

2 MS. LUEDTKE: Correct.

3 ALJ STERN: And Ms. Kordosky was served though?

4 MS. LUEDTKE: Correct. She was personally
5 served.

6 ALJ STERN: And Mr. Polanchek you're publishing
7 on and haven't quite finished that.

8 MS. LUEDTKE: Right.

9 ALJ STERN: Okay. So there is two entities, two
10 individuals who didn't request a hearing and -- okay.

11 So, Ms. Luedtke, what is the status of this
12 matter? I mean, I assume you want to have some
13 discussions with some of the respondents.

14 MS. LUEDTKE: We have started some discussions,
15 and we're in the process of obtaining a few more
16 documents from the respondents that have appeared.
17 We're willing to discuss consent terms. And I believe
18 that maybe if we set this over until the end of March,
19 that might give Mr. Polanchek an opportunity to appear,
20 if he desires to do so, after his 30 days is up
21 following the end of publication. And that will give us
22 some time to also discuss any consent, and then we can
23 come back and, if anyone is left, we can get a hearing
24 date.

25 ALJ STERN: Okay.

1 MS. LUEDTKE: Because I believe it's going to be
2 quite a lengthy hearing with all the respondents and --

3 ALJ STERN: I would think so. How many
4 investors are in this proceeding? Do you have any idea?

5 MS. LUEDTKE: There are numerous. It's about
6 \$4 million. There is numerous different offerings as
7 well, which complicates it further.

8 ALJ STERN: Okay. Would you like to request a
9 status hearing, or do you want me to schedule one out
10 somewhere in the future then after, you said --

11 MS. LUEDTKE: I think if we set it at the end of
12 March that should be fine. And then if we need more
13 time, we can always move to continue it. But I think
14 that at that point anybody who hasn't spoken up that
15 comes into the litigation might want to do so at a
16 status conference.

17 ALJ STERN: All right. What I -- I'll have to
18 look at some dates for that. Around the end of March.
19 Okay.

20 Let me take a brief recess and look at some
21 dates, because if you're going to resolve the matter --
22 but these are all interrelated, all these various
23 companies and everything?

24 MS. LUEDTKE: Uh-huh.

25 ALJ STERN: C&D and Tri-Core.

1 MS. LUEDTKE: Well, I'm not saying that the
2 companies are all related, but the individuals doing the
3 selling and things like that, there's, there are aspects
4 of it that are interrelated. I should put it that way.

5 ALJ STERN: All right. Let's take a recess for
6 a few minutes, because I'll have to check, again, for
7 conflicts that we might have and an open and available
8 hearing, or status conference, date.

9 All right. Let's take a few minutes.

10 (Recess taken from 11:09 a.m. to 11:14 a.m.)

11 ALJ STERN: Let's resume. I looked at some open
12 dates on the calendar.

13 How does March 20th sound?

14 MS. LUEDTKE: That's fine with me.

15 ALJ STERN: Okay.

16 MR. RYCRAFT: What time, Your Honor?

17 ALJ STERN: 10:00 a.m.

18 MR. THRASHER: Judge, it's fine with me too.

19 ALJ STERN: Okay. By stipulation and agreement
20 the parties have agreed March 20th at 10:00 a.m. for a
21 status conference.

22 If you can get matters resolved and you need
23 more time, let me know so we don't go forward. I'll put
24 out a procedural order, but by agreement everybody is
25 aware of it. I don't know whether we'll be in this room

1 or another room, but that will be determined at some
2 future date.

3 So anything else?

4 MS. LUEDTKE: I don't think so.

5 MR. THRASHER: No, sir.

6 ALJ STERN: All right. And does, or do Mr. and
7 Mrs. Buckley know how to get in touch with you?

8 MS. LUEDTKE: They do.

9 MR. BUCKLEY: Yes. Thank you, Judge.

10 ALJ STERN: All right. Thank you. That will
11 conclude this matter at this time. Thank you.

12 (The proceedings concluded at 11:15 a.m.)

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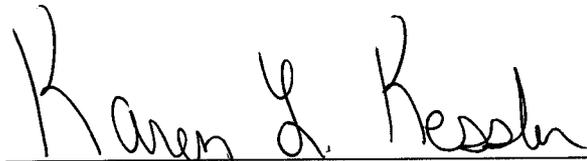
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1 STATE OF ARIZONA)
) ss.
 2 COUNTY OF MARICOPA)

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I, KAREN L. KESSLER, RPR, Certified Reporter
 No. 50821 for the State of Arizona, do hereby certify
 that the foregoing printed pages constitute a full, true
 and accurate transcript of the proceedings had in the
 foregoing matter, all done to the best of my skill and
 ability.

WITNESS my hand this 24th day of January,
 2013.



 KAREN L. KESSLER, RPR
 Certified Reporter
 Certificate No. 50821