



Minutes

Regular Meeting of the Board of Directors for Chandler Heights Citrus Irrigation District
26651 S. Valencia, Queen Creek, AZ
March 10, 2009

A public meeting of the Chandler Heights Citrus Irrigation District was convened on Tuesday, March 10, 2009 at 26620 South Mandarin. The meeting was called to order at 6:35pm with Pat O'Malley, Gene Rose, Recording Secretary, Jolieen Williams and Field Operations Manager, Alfonso Garcia in attendance. From the public were district residents, Kim Ament, Sharon Furia, Rebecca Reitzel-Bartlett, Brandon Letner, Jacob Bumm, Seth Ray, Judith Bray, Todd Filewicz-Ross, Robin Oare, Ron and Amy Quintana, Patricia Fulks, Bob Castelluccio and Thom Wright. Also present, representing commercial developments in the district, were both Kelly and Kerry Black of Black Land and Cattle and Rod Matheson of the LDS church. Derek Arnson and George Surbeck were in attendance as election results were to be opened and announced at the beginning of the meeting.

March Recall Election

Upon receiving a sealed envelope containing the recall results from Connie Illingworth, chair of the Recall Election Board, Pat O'Malley announced that having sustained the majority vote in the election, Derek Arnson was the newest Board Member. He then congratulated Derek and invited him to join the Board table for the remainder of the meeting.

Mr. Surbeck thanked the citizens and the employees of the district for allowing him to serve. He reminded everyone that the district had come through a lot since its 1929 inception. He expressed that while the district had already gone through many changes, he encouraged everyone to accept both the challenges and the responsibility of moving the district forward toward the visions of its future.

Mr. Arnson accepted the Oath of Office and was official sworn in as a CHCID Board member.

Thom Wright

Thom indicated that one of five risers in his yard is still in need of repair. He reviewed the irrigation service agreement that he signed and believes the contract states that he as a resident is responsible for the maintenance of the risers but the district is responsible for any actual repair of the risers. He expressed that he had done everything reasonable to maintain the functionality of the riser and inquired about the districts responsibility in terms of repair. Pat O'Malley explained that the intent of the service agreement is to outline that residents are responsible for both maintenance and repair of their risers and the district is responsible to maintain and repair the mainlines and pipes. He advised that Field Operations could inspect the riser and provide an estimated cost of repair. Thom expressed that the ambiguity of service agreements/contracts need to be revisited.

Kelly and Kerry Black

Kelly Black indicated that 2 years ago, his company proposed a conceptual plan for 3 commercial buildings near San Tan and Lime and received a letter from the District stating its intent to provide water service for those 3 buildings. He stated that 2 years later and \$1 million into the project, he is now being told that the District does not have a current commercial policy to meet the needs of their project and expressed a desire to resolve the issue without pursuing legal action. He advised that Gene Rose, the Districts Consultant Engineer, reviewed the plans and signed off on them. Gene stated that he did not recall reviewing any such plans but does remember providing a cost estimate for upgrading the water lines. Kelly informed the Board that the plumbing code required a certain volume of water and what the district is currently offering (three 3/4x5/8 " meters) will not work for their project. Kelly advised that he would forward the plans that Gene signed off on to the District Office. Pat O'Malley indicated that he would confer with attorneys before making a decision to move forward on this issue.

Hydrant Meter Policy

**After researching other districts and their hydrant meter policies, Pat O'Malley informed that many charge a standard fee to both set and collect hydrant meters. He made a motion to amend the districts current hydrant

meter policy to include a \$25 fee to set the meter, a \$25 fee to collect it and provide a 2-working day notice of delivery. Gene Rose seconded. The motion carried unanimously.

Hourly Rates for Well 2, 4 and CAP (Tabled)

ETR for Well 6

Gene Rose indicated that the majority of the repairs have been completed but recommended that the district proceed with bailing the debris out of the bottom of the well before installing the new pipe and pump. Pat O'Malley stated his belief any debris in the bottom wasn't significant since the pump will be 250 ft above it. Gene disagreed and insisted that removal of the debris was absolutely significant to improve quality of water. Derek Arnson inquired about potential risks associated with either option. Pat O'Malley expressed concerns of uncovering bigger problems such as maybe a crack or split in the casein. Gene stated that it's important to know the condition of the casein before installing the new pump and associated assemblies. He indicated the cost of bailing the debris would be only an additional \$7000 and made a motion to approve moving forward with doing so. Derek Arnson seconded while Pat O'Malley was still opposed. The motion carried two to one in favor.

Controlling Flow – Well 4 (Tabled)

Preliminary BuildOut Report

Over the past several weeks, George Surbeck has done a substantial amount of work to come up with a blue print of what a potential buildout plan over the next 10-15 years should look like. He read his report out loud concluding again the cost of total buildout over the next several years could be close to \$3.85 million. George states that 1/3rd of the district property, the equivalence of about 400 acres of land is vacant. The preliminary report accounted for different meter sizes including 1 ½" or 2" meters for residential and 2" meters for commercial and 4" connections for fire protection. He will be forwarding an electronic copy of the report to the district office for the record.

Derek Arnson greeted everyone again and went on to say he comes from a platform of voting reasonably and believed that flexibility is extremely important and that the community should have a voice. He stated that as a member of the Board, he wanted to be a voice for the community but thought it important for residents to understand that as we move away from the 1929 infrastructure and toward the future, the last thing the Board wants to do is tap into the pockets of residents, but getting to where we need to be as a district will realistically mean rates increases and impact fees of some sort. He indicated that his first priority would be to educate himself on the issues so that as a Board member he can vote reasonably as options and opportunities for new policies develop.

Routine Director Reports

Pat O'Malley advised that the new backups for the office computers are working but not 100% of the time. Gene Rose outlined a list of engineering projects that he will continue to oversee but advised that in the next two weeks he will be busy working to get Well 6 back in service by the end of March. Derek Arnson did not add any additional comments.

Public Comments

Throughout the meeting, Mr. Todd Filewicz-Ross expressed continued concerns that there was a disconnect between the residents of the district and its board of directors. He made comment that as a member of this district, he is concerned about its welfare. In summary Todd indicated that he and many other district residents felt that they have been on the outside of decisions being made by the Board that impact everyone.

Rod Matheson representing the LDS church indicated that he understood that the District is the process of perhaps revising their policies to meet the needs of commercial developers, but inquired as to what the church could do to help expedite the process on their end. Pat O'Malley explained again that the Board needs to continue looking at buildout and how policy changes might fit into that, but there would not be

Minutes from previous Board Meetings

The minutes from February 9th, February 10th, February 17th, February 20th, February 24th, March 3rd and March 4th, 2009 were read and approved.

The meeting adjourned at 9:55 pm.

Pat O'Malley

Gene Rose

Derek Arnson

Jolleen Williams (Recording Secretary)