



## Minutes

Special Meeting of the Board of Directors for Chandler Heights Citrus Irrigation District  
26651 S. Valencia, Queen Creek, AZ  
March 24, 2009

A public meeting of the Chandler Heights Citrus Irrigation District was convened on Wednesday, March 11, 2009 at 26651 S Mandarin Dr. The meeting was called to order at 6:05pm with Pat O'Malley, Gene Rose, Derek Arnsen and Recording Secretary, Jollieen Williams in attendance. Also present were Jim King and Bill Standage representing the LDS church project on San Tan and Lemon and Kelly and Kerry Black representing the San Tan 3 commercial project on San Tan and Lime. From the public were district residents Margaret Benson and Brandon and Steve Letner.

### **Bill Standage and Jim King – LDS Project**

A letter from Chandler Heights Citrus Irrigation District is the final step before the church can get their permit to begin construction for the building on San Tan and Lemon. They advised that the church has resources that will allow them to provide financial assistance with any necessary upgrades to the infrastructure and were prepared to present a formal proposal for the Board to review in efforts to expedite their project. The proposal will be forwarded to the Board on or before April 7, 2009 so that there can be further analysis and discussion on upgrades during the regular monthly meeting on April 14<sup>th</sup>.

### **Kelly and Kerry Black – San Tan 3 Project**

For the record, the District gave Kelly and Kerry Black a documented intent to provide water service for their San Tan 3 commercial project back in 2007. Since that time, the Black's have invested well over 1 million dollars into the project however, were advised during their pre-construction meeting that the district did not have the capacity to provide the type of water service or the size meters they were requesting for the 3 buildings on San Tan and Lime. They have met with the Board several times over the last 2 years and some negotiations were discussed and verbally agreed upon, but no there has been no "official documentation" of the agreements besides those reflected in the minutes from previous meetings. The Black expressed during the regular meeting on March 10, 2009 that they were growing increasingly frustrated with the Board's lack of urgency to either make an exception to the current meter policy or to create one that will support the needs of commercial developers. The Blacks also expressed emphatically that if the Board did not make a decision within a week or two that they would explore the option of pursuing legal action.

The San Tan 3 project has been continually delayed due to the fact that the District does not have a current commercial policy in place that would outline applicable meter sizes and rates. The Blacks expressed that after meeting nearly a ½ dozen times, the district has exerted little effort and at every meeting throughout the course of over a year and a half, they continue to be told by the Board that they can only offer the Blacks three 3/4 x 5/8' meters to support their project and would not make an exception to the current policy. The Board explained that their refusal to make an exception to the policy was in effort to abide with what's documented in the by-laws and their desire to treat ALL customers fairly and equitably. Both Derek and Gene expressed their belief that no commercial customers, particularly the Blacks in this case, should fall victim to the District's lack of preparation and planning. They each believed that the fact that the Black project is still on hold because the District does not have a commercial policy in place is a blatant reflection of a lack of planning and an unrealistic vision of potential future development. The improvements that the Blacks agreed to make to the infrastructure as discussed again in that March 10<sup>th</sup> meeting will cost an estimated \$43,000. The district will most certainly benefit from these upgrades.

After careful consideration and a complete review of the facts and timelines, Gene Rose made a motion that the District allow Kelly and Kerry Black to use three 1 ½ inch meters for their San Tan 3 commercial project on San Tan and Lime in exchange for installation of a 12 inch waterline and all assemblies. Derek Arnsen seconded the motion. Pat O'Malley asked if Gene and Derek were sure they wanted to vote on granting an exception to policy at that time or wait and have an executive session with their attorneys before deciding. Gene Rose stated that he was ready to make the motion. The motion carried 2 to 1. Pat O'Malley remained opposed insisting that advice from the District's attorneys recommended that they **not** make any exception to the existing meter policy (which does not include a policy for commercial builders) and then write a commercial policy at a later time. Kelly and Kerry Black committed to provide 2-3 referrals of independent engineering firms that could provide the District an analysis of the district's system and a Master Plan. They suggested that they would also agree to cover the cost of the Master Plan as well.

**BuildOut Plan**

The Board reviewed a document from Pat on the build out plan that said the District should plan on adding a lot more 6" pipe than had been talked about before. There was also discussion that 1" meters should be the largest available to residential customers or many 6" lines would have to be upgraded. Also the estimate of 20 additional fire hydrants is only a rough guess.

The District should also consider upgrading the office building as part of the plan. It is no longer large enough to hold meetings and its septic system is very old.

The 4" fire sprinkler system needed for the LDS project may be a cost problem. The data available indicates it requires an additional 1950 GPM of pumping capacity, which is 234,000 gallons for a 120 minute fire. It would add a requirement for additional pumping and storage capacity that would only be required for buildings with 4" fire connections. It is questionable whether there will be enough buildings with commercial sprinklers to spread the cost down to a reasonable amount.

The meeting adjourned at 8:10 PM.

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Pat O'Malley

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Gene Rose

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Derek Arnson

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Jollieen Williams (Recording Secretary)