j0250840**Chandler Heights Citrus Irrigation District**

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**Office Hours – Monday through Friday 7:30am -2pm**

A public meeting of the Chandler Heights Citrus Irrigation District was convened on Wednesday, February 08, 2023 at 26651 S Valencia. President of the Board, Elizabeth Fulghum, Directors of the Board Ella O’Neill, Pamela Cain, and Board Secretary Lynn O’Malley were in attendance. Also attending were, Jeff Crockett, Tanner Maddux, Warde Nichols, Kahlan Ohara, Ryan Doyle, Dan Kuefner, Greg Dunnan, Don Hannum, Katherine LoPiccolo and Patti Rubel.

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**Call to Order/Pledge of Allegiance**

* The meeting was called to order on Wednesday, February 08, 2022 at 7:00 pm.

**Call to the public**

* No comments or questions were given by persons in attendance

**Old Business**

* January 11th,2023 were read and approved
* Update on San Tan pipeline - Greg Dunnan is sending out up to eight bids by Friday. Deadline to submit bids is March 6th. . Sent Elizabeth contract to review and stated nothing has changed within a year. Elizabeth approved and no changes will be made to contract.
* New Work Truck is in service just need decals on side door.
* We are recruiting two Zanjeros and one Domestic Desk person.
* Roof repair contractor came out to give details on quote given prior and is having his painter to look over areas to be painted and give bid to complete job.

**New Business**

* Vote on the Two Tree Capital land exclusion:

Statement read by Elizabeth: “Before we vote on whether the Petition to Exclude the property owned by Two Tree Capital from the Chandler Heights Citrus Irrigation District should be granted or not, we want to provide some context.

We <all of us board members> find this decision extremely difficult. Like many of you, we do not find this development consistent with the rural nature of our community. However, that is not the decision to be made by this Board. The issue we decide today is what is in the best interest of the District – to exclude the property from the District or not. The Arizona Revised Statues sets forth the criteria we are to use in making this decision. We are to use only that criteria in our decision making.

Whether this development is allowed by the existing zoning, whether existing zoning needs to be changed, whether it will cause traffic problems, whether streets will need to be widened, whether it causes concerns for neighbors’ privacy, or whether other problems are caused by the development are not decisions this Board makes. These are decisions for Maricopa County when Two Tree submits its development plan. The many concerns raised during the hearing on January 25 are concerns that you can and should raise with Maricopa County as is your right.

We also want to explain what has brought the District to this decision. After Two Tree made a Notice of Claim (which is an intent to sue) the District, alleging that the District was acting in violation of state statutes in not providing water exactly how Two Tree demanded, the District entered into negotiations to settle this matter. Although the District believed that Two Tree’s allegations were inaccurate and completely erroneous, to defend itself the District would have been required to spend hundreds of thousands of dollars in legal fees to do so. Rather than incur these expenses when the decision of whether this development will go forward rests with the County, we decided to settle.

That Agreement provides that Two Tree could petition to exclude its property from the District. If granted, Two Tree would pay the District $450,000 for the loss resulting from the exclusion of the property from the District. If the petition is not granted and Two Tree’s property is to remain in the District, the Agreement provides that the District and Two Tree will negotiate in good faith a line extension agreement to provide water to Two Tree as a commercial development and that Two Tree will pay the costs necessary to improve and upgrade the infrastructure necessary to provide that water service.

Because Maricopa County, and not the District, will decide whether this development goes forward, our intention is to put the District in the best position if the development goes forward whether or not the property is excluded from the District.

Again, we want to reiterate that like most of you, we do not want this development because it is inconsistent with our rural community. However, that is not this Board’s decision. That is the decision of Maricopa County which is still to come.”.

* Elizabeth Fulghum stated that based on all of this, the evidence and objections submitted before and during the hearing on the petition to exclude, she personally finds that Two Tree Capital has not made its case to exclude themselves from District based on the land not being irrigable. The land is irrigable therefore, in Elizabeth’s opinion and vote, is not to exclude the property from the district.
* Ella O’Neill stated based on all the evidence and objections, that she finds it’s in the best interest of the district to approve the petition to exclude TTC from the district. Ella voted to exclude.
* Pamela Cain stated she is against the exclusion. Pam votes not to exclude TTC from the district.
* **The Exclusion of Two Tree Capital from is denied**

**Action Items**

* Elizabeth said that Chriss Blankenship – Accountant is asking for a fixed asset inventory and Alfonso and Lynn will need to provide it. Given staffing issues it is not urgent at this time.

**Meeting moved into Executive Session at 7:25 pm – for discussion of personnel matters**

**Executive Session concluded at 8:20 pm, returned to open meeting.**

**Adjournment**

Ella O’Neill made a motion to adjourn the meeting.

Pamela Cain seconded the motion.

The meeting was adjourned at 8:25 p.m.

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Elizabeth Fulghum President of the Board

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Ella O’Neill Director of the Board

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Pamela Cain Director of the Board