

# Owners Move To Gain Foot-hold On Sinking Homes

## Homeowners to take "mega-corporation" to court

By Jill Jones  
The News



Sinkholes, as pictured above, plague homes in the Desert Harbor community.

When residents purchased their brand new homes in the adult manufactured home community of Desert Harbor, 3700 S. Ironwood Dr. in Apache Junction, they thought they were buying into a relaxing community where they could enjoy a peaceful lifestyle and the freedom of retirement, instead, they found themselves locked in the battle of their lives to protect the investment they have in their homes, which are shifting and sinking in unstable soil.

Approximately 97 or the 207 homes in the community are reportedly sitting on unstable soil and many of the homes are plagued with sink holes, cracking walls, surface water seepage, structural problems, mold issues and more due to construction defects exacerbated by soil erosion and ground subsidence. In other words, the soil was not correctly compacted to withstand the weight of the homes, which are now sinking and shifting in the soft muddy soil.

Repeated pleas to the developer, ALL Homes/American Land Lease (ALL) of Florida, reportedly fell on deaf ears until the homeowners banded together and formed the Desert Harbor Association of Homeowners and hired a forensic engineering firm to inspect some of the properties.

"Measures must be taken to stabilize and densify the backfill soils around the crawl spaces to prevent future sinkholes and infiltration of surface water beneath the homes," read a portion of the engineering report. The engineer told residents that in order to remedy the situation the homes would need to be removed, the sites regraded and soil compaction be done before the houses are replaced on the lots.

According to homeowner Clyde

Preston, who heads up the homeowner's group, after a year of complaints their group finally heard from ALL who maintained that the situation could be remedied by some drainage repairs. ALL had reportedly hired their own engineer but despite numerous requests for a copy of the report, Preston said they have yet to see it. Knowing that drainage repairs would not remedy the situation, residents advised ALL that their offer was "too little, too late" and threatened litigation.

The group eventually hired an attorney and anxious homeowners began packing up their homes believing that a settlement could be negotiated. However, the deadline for a settlement passed with no word from ALL, and boxes were once again being unpacked, only escalating the homeowners' frustrations, which Preston believes contributed to one resident taking his life last week.

Despite the homeowners' opposition to ALL doing a band-aid type fix by engaging in a diversion drainage plan, ALL contractors were on site moving dirt at Desert Harbor last week to work on the "drainage issue" during which they reportedly cut the cable of a deaf mute couple

three times and graded a moat around a home to divert drainage, which according to Preston, only resulted in water coming in from the other side of the house.

"The hopelessness is getting stronger," said Preston. He said residents are like prisoners on their own home and are stuck looking at the cracks, mold and other problems with nowhere to go because they can't sell their homes the way that they are.

He said that on a daily basis the homeowners are faced with the realization that all the money they invested in their homes has been wiped out. "It's a very, very serious problem. This is destroying what years they (residents) have left," said Preston adding, "ALL needs to let these people go."

Going forward, Preston said they hope to join forces and garner the support of both the City of Apache Junction and Pinal County as allies in fighting the "mega-corporation" (ALL) that they believe has taken advantage of them. The group was planning to file suit in Pinal County Superior Court as the paper went to print, accusing ALL of elder abuse and fraud, among others, according to Preston.

of how they should treat others.

On the way home from the awards ceremony, Pederson was already brainstorming new ideas on how she can help her community. She said she wants to get people to recycle more to make the earth a better place to live.

The Martin-Springer Institute, along with the Moral Courage Award, was established by Ralph and Doris Martin five years ago. The Martin's began the award by fostering their mission of applying lessons of the Holocaust, through promotion of moral courage, altruism and tolerance.

what type of moral courage each nominee exemplified in their community.

The other two individuals that received the Moral Courage Award were Principal Yvonne Watterson of the Gateway Early College High School in Phoenix for helping students affected by Proposition 300 and Flagstaff Social Activist Lisa Raynor for supporting the Planned Parenthood Center through weekly rallies.

Pederson continues to show a great deal of courage when trying to point her friends and classmates in the right direction

### from Courage Award, page A-1

Martin's. After they shook hands the 12 individuals were asked to remain on stage to provide an opportunity for the audience members to see all of the nominees during the Moral Courage Award presentation.

Pederson said she was the first one called for the award. "I was really excited," she said about receiving the award.

Each of the three winners received a plaque with their name on it along with a gift certificate for Barnes and Noble and books about the Holocaust. Those who attended also received a program that listed a brief explanation of

### from Recall, page A-1

Arizona Revised Statute 19-208.04 by filing a special action in the appropriate court of law and within specific timelines. Connelly wrote in the letter that if Diehl chooses to do so, she recommends that she seek the advice of an attorney licensed in the State of Arizona and familiar with Arizona election laws.

Diehl, an Apache Junction resident, needed 222 signatures from registered city voters. She collected 285. It is not too late to initiate another recall of Severs,

but his term ends in June next year anyway. Any recall would be on a fall ballot if the petitions are submitted by July 6, 2008.

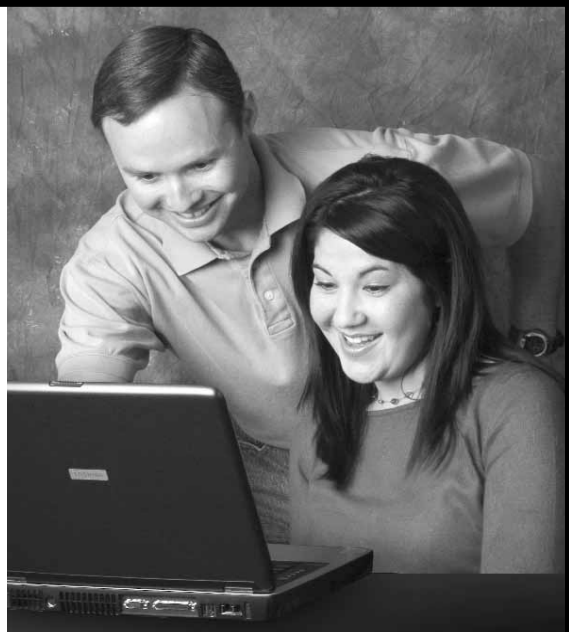
The controversy over Severs heated up earlier this year after it was learned he moved his wife and family to Gilbert. Severs told reporters the move was necessary because of the "messed-up schools" in Apache Junction. Although his family resides in Gilbert, Severs says he still lives in their empty house on North Starr Road in Apache Junction.

The recall against Severs is one of several against City Council

members including Mayor John Insalaco. Apache Junction residents Shannon Flynn and Jim Stephens, both supporters of Severs, are reportedly collecting signatures to recall Insalaco, Vice Mayor R.E. Eck and councilmembers Rick Dietz, Robin Barker and Jeff Serdy. There is no word on the progress of those recall efforts. The elected terms of Insalaco, Dietz and Eck expire in June 2009. The terms of Barker and Serdy expire in 2011.

## You're Invited to Discuss Future Needs of Central Arizona College Students

Central Arizona College is planning for the future needs of its students and it wants your opinion. You are invited to participate in a community forum to tell college personnel what you feel the college needs to provide for successful learning.



June 2, 6 p.m.  
Gold Canyon Golf Resort  
6100 S. Kings Ranch Road



Central Arizona College

### NOTICE OF HEARING

TO BE CONDUCTED ON PROPOSED BUDGET AND PROPOSED RATES, FEES, AND CHARGES OF SUPERSTITION MOUNTAINS COMMUNITY FACILITIES DISTRICT NO. 1 FOR FISCAL YEAR 2009 (July 1, 2008 through June 30, 2009).

Notice is hereby given that Superstition Mountains Community Facilities District No. 1 (the "District") will conduct a public hearing pursuant to Arizona Revised Statutes Sections 48-715, 48-716, and 48-720 on June 17, 2008, at 6:00 p.m. in the Apache Junction Fire District Board Room, 565 North Idaho Road, Apache Junction, Arizona 85219, to invite comment on (a) the District's proposed rates, fees, and charges applicable during the fiscal year 2009, and (b) the District's proposed budget for fiscal year 2009, set forth below:

### FISCAL YEAR 2009 PROPOSED RATES, FEES, AND CHARGES MONTHLY MINIMUM SERVICE FEES AND CHARGES

Service Class	Daily Average Flow Allowance (gallons)	Water Use Multiplier	FY 2007		FY 2008 (Proposed)		Notes
			Monthly Minimum Charge \$/Unit/Mo.	Minimum Charge \$/GAL.Avg. Daily Use	Monthly Minimum Charge \$/Unit/Mo.	Minimum Charge \$/GAL.Avg. Daily Use	
Single Family Residential (SF)	Flat Rate	N/A	\$ 33.50	Flat Rate	\$ 34.60	Flat Rate	1
Multi-Family, (MF)	Flat Rate	N/A	\$ 27.30 per unit	Flat Rate	\$ 28.20 per unit	Flat Rate	1
Recreational Vehicle Parks (RV)	43/Space	0.80	\$ 7.85 per space	\$0.226	\$ 8.10 per space	\$0.234	2
Mobile Home Parks (MHP)	95/Space	0.80	\$ 17.25 per space	\$0.226	\$ 17.80 per space	\$0.234	2
Church/Governmental (CG)	185	0.80	\$ 33.50	\$0.226	\$ 34.60	\$0.234	2
Light Commercial (LC)	185	0.95	\$ 39.80	\$0.226	\$ 41.10	\$0.234	2
Medium Commercial (MC)	185	0.95	\$ 44.70	\$0.254	\$ 46.15	\$0.263	2
Heavy Commercial (HC)	185	0.95	\$ 49.75	\$0.283	\$ 51.35	\$0.292	2
Industrial (IND)	185	0.95	\$119.20	\$0.678	\$123.05	\$0.700	2
Undeveloped Land (VL)	N/A	N/A	\$ 7.70	per acre or portion thereof	\$ 7.95	per acre or portion thereof	3
Septage Disposal Charges		Type 1 Type 2 Type 3	\$0.0250 per gallon \$0.0675 per gallon \$0.1975 per gallon		\$0.0250 per gallon \$0.0675 per gallon \$0.1975 per gallon		- - -

Notes:

- Customers charged a monthly flat rate per unit, with no charge for actual sewer flow.
- Customers charged the greater of: (1) the Monthly Minimum Charge or (2) the calculated charge based on water use: [(prior 12 months water use X water use multiplier X rate per gallon)/360].
- Customers charged per acre or portion thereof, with a minimum charge equal to one acre.

### APPLICATION FEES

Application Fee Component	FY 2008	FY 2009 (Proposed)
Application Processing	\$ 30.00	\$ 30.00
<b>Materials</b>		
Disconnection Valves	\$ 45.00	\$ 150.00
Valve Box Monument	\$ 32.50	\$ 65.00
Manhole Covers (30")	\$ 285.00	\$ 300.00
Manhole Covers (30" locking)	\$ 425.00	\$ 450.00
<b>Design Review Processing</b>		
500 gpd or less	\$ 125.00	\$ 130.00
501 gpd to 1,000 gpd	\$ 250.00	\$ 260.00
1,001 gpd to 5,000 gpd	\$ 500.00	\$ 520.00
5,001 gpd and greater	\$1,000.00	\$ 1,040.00
<b>Construction Inspection</b>		
Service Line Installation, sewer main to property line	\$ 75.00	\$ 120.00
Multiple Unit Service Line Installations (per unit)	\$ 75.00	\$ 120.00
Compaction Testing	n/a	\$ 500.00
Manhole and Sewer/Main Cleanouts (per unit)	\$ 150.00	\$ 240.00
Grease Traps (per unit)	\$ 200.00	\$ 320.00
Sewer Mains, each 100 foot section or part therefore	\$ 75.00	\$ 135.00
Pump Stations, per installation	\$ 300.00	\$ 480.00

### CONNECTION FEES

Service Class	Unit	FY 2008 Connection Fees		FY 2009(Proposed) Connection Fees	
		Unit Rate	Minimum Fee	Unit Rate	Minimum Fee
Single Family Residential (SF)	each residential unit	\$ 2,750	\$2,750	\$2,850	\$2,850
Multi-Family, (MF)	each living unit	\$ 2,250	\$4,500	\$2,350	\$4,700
Recreational Vehicle Parks (RV)	each space	\$ 650	\$2,750	\$ 675	\$2,850
Mobile Home Parks (MHP)	each space	\$1,425	\$2,750	\$1,480	\$2,850
Church/Governmental (CG)	per gallon daily sewer flow	\$ 6.53	\$2,750	\$ 6.77	\$2,850
Light Commercial (LC)	per gallon daily sewer flow	\$ 6.53	\$2,750	\$ 6.77	\$2,850
Medium Commercial (MC)	per gallon daily sewer flow	\$ 6.53	\$2,750	\$ 6.77	\$2,850
Heavy Commercial (HC)	per gallon daily sewer flow	\$ 6.53	\$2,750	\$ 6.77	\$2,850
Industrial (IND)	per gallon daily sewer flow	\$ 6.53	\$2,750	\$ 6.77	\$2,850

### PENALTY CHARGES

Type	FY 2008	FY 2009 (Proposed)
Delinquent Account Late Fees	18% per annum, 1.5% per month	20% per annum, 1.67% per month
Non-sufficient Funds Charge	\$27.50 per each returned item	\$28.00 per each returned item
Dormancy Fee	\$50 or the credit balance remaining on account (the lessor of the two), after 6 months have passed and 3 or more attempts have been made to refund the credit balance	\$50 or the credit balance remaining on account (the lessor of the two), after 6 months have passed and 3 or more attempts have been made to refund the credit balance

### DISCONNECTION FEES

Disconnection Fee Component	FY 2008	FY 2009 (Proposed)
Disconnect Processing	\$ 25.00	\$ 35.00
<b>Disconnection Fee (as required)</b>		
Disconnection (completed disconnection)	\$ 35.00	\$ 80.00
Cleanout Cap	\$ 10.00	\$ 20.00
Valve Box Monument	\$ 32.50	\$ 65.00
Disconnection Cleanout	\$ 500.00	\$ 550.00
Recording Fee	\$ 15.00	\$ 25.00

### RECONNECTION FEES

Reconnection Fee	FY 2008	FY 2009 (Proposed)
Regular	\$ 40.00	\$ 45.00
Emergency (after hours, weekends or holidays)	\$ 100.00	\$ 160.00

### DISCONNECTION DAMAGE FEES

Disconnect Damage Fee(s)	FY 2008	FY 2009 (Proposed)
Lock	\$ 40.00 per occurrence	\$ 55.00 per occurrence
Disconnection Device	\$ 45.00 per occurrence	\$150.00 per occurrence
Valve Box Monument	\$ 32.50 per occurrence	\$ 65.00 per occurrence
Labor & Equipment	\$115.00 per hour	\$145.00 per hour

### MISCELLANEOUS SERVICES

Miscellaneous Services	FY 2008	FY 2009 (Proposed)
Courtesy Visit	\$ 75.00	\$ 80.00
Camera Inspection	\$ 125.00 per hour	\$ 165.00 per hour
Labor & Equipment	\$ 115.00 per hour	\$ 145.00 per hour

### FISCAL YEAR 2009 PROPOSED BUDGET

Budget Category	FY 2008 (Adopted)	FY 2009 (Proposed)
<b>Sources of Funds</b>		
Service Charges	\$4,691,318	\$5,028,827
Connection Fees	\$ 729,410	\$ 280,875
Other Revenue	\$1,028,282	\$1,083,456
Restricted Use Revenue	\$ 0	\$ 0
<b>Total Sources of Funds</b>	\$6,449,010	\$6,393,158
<b>Uses of Funds</b>		
Debt Service	\$1,788,420	\$1,854,460
<b>Operating Expenses</b>		
Labor & Benefits	\$2,093,710	\$2,428,722
Administration	\$ 605,450	\$ 779,300
Plant O&M	\$ 627,365	\$ 795,860
<b>Total Operating Expenses</b>	\$ 3,326,525	\$ 4,003,882
<b>Reserve Fund Contributions</b>		
Operation Reserve Fund	\$ 104,772	\$ 144,618
Capital Improvement Fund	\$1,160,000	\$ 76,532
Land Purchase Account	\$ 0	\$ 0
Replacement Reserve Fund	\$ 0	\$ 270,000
Debt Service Reserve Fund	\$ 0	\$ 0
District Reserve Fund	\$ 69,293	\$ 43,666
<b>Total Reserve Contributions</b>	\$1,334,065	\$ 534,816
<b>Total Uses of Funds</b>	\$6,449,010	\$ 6,393,158

Interested persons will be given an opportunity to express their views, both orally and in writing. Written comments may also be submitted to the District for receipt prior to the time and date of hearing, to the attention of the District Manager, 879 North Plaza Drive, Suite C-101, Apache Junction, Arizona 85220. Published 05/26/08