

Bond Case Briefs

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CONTRACTS - ARIZONA

City of Chandler v. Roosevelt Water Conservation District

Court of Appeals of Arizona, Division 1 - October 31, 2024 - P.3d - 2024 WL 4630924

City filed complaint against state irrigation and water district for breach of contract, breach of the implied covenant of good faith and fair dealing, and declaratory judgment that parties agreement for district to provide city water remained valid and that district had committed material breach, and seeking specific performance of agreement.

The Superior Court denied district's motion for summary judgment on statute of limitations grounds, and granted city's motion for summary judgment. District appealed.

The Court of Appeals held that:

- Doctrine of nullum tempus occurrit regi did not apply to exempt city from statute imposing one-year limitations period for claims against public entity;
- City's claims accrued no later than when district refused to provide city with water in accordance with city's letter notifying district of city's intent to order water; and
- Appellate court would award district appellate attorney fees and costs.

City's claims against irrigation and water district accrued, and the one-year limitations period began to run, no later than when district refused to provide city with water in accordance with city's letter notifying district of city's intent to order water for delivery for the following calendar year, which city sent in response to district's prior letter repudiating its agreement to provide city water, in city's action for breach of contract, declaratory judgment, and other relief, alleging district's unilateral termination of the agreement was a material breach of the agreement.