Proposed Domestic Water Improvement District (DWID) in the Rio Verde Foothills

Frequently Asked Questions

Domestic Water Improvement District (DWID)

How can a DWID be formed without the agreement of 51% of property owners in the Rio Verde Foothills?

Arizona law allows for the formation of a non-contiguous DWID. Under this model, only property owners who sign the petition to form the DWID are included within the non-contiguous boundary. In other words, 100% of the participants would be in agreement.

See Aug. 4, 2020 Attorney General Opinion >

How can a DWID be formed without a domestic water delivery system?

A standpipe with water hauling to individual residents is considered a domestic water delivery system.

Does the DWID have the power to tax non-members (property owners outside of the non-contiguous boundary)?

No.

Does the DWID have the power to condemn property outside of the non-contiguous boundary?

Yes. This process is administered by the courts and would require compensation to the property owner.

Can the DWID drill a well?

Yes. If the DWID drills a Non-Exempt Well, obtaining a permit for that well would require a well spacing analysis to determine if the proposed new well would have an unreasonable impact on other nearby wells. It should be noted that private property owners can drill exempt wells (defined as wells that pump less than 35 gallons per minute) without any well spacing analysis.

Can a property owner who is not a member of a non-contiguous DWID be held responsible for the cost/maintenance of infrastructure that may cross their property?

No. The DWID cannot assess taxes to property owners who are not members of the DWID. Furthermore, the DWID cannot hold property owners who are not members of the DWID responsible for the cost and/or maintenance of DWID infrastructure.

Are both a DWID and Co-Op entities that can be used to acquire a water source?

Yes, although a Co-Op has limited powers that may affect its ability to actually provide the services necessary for a stable long-term water supply.

Is it feasible for Maricopa County Board of Supervisors to act as the board of directors for the DWID?

Under Arizona law, the role of the Board of Supervisors (BOS) is to provide oversight. AZ law allows a BOS to revoke the authority of the DWID's board of the directors to "protect the residents of the district." In this scenario the BOS would have the option of calling for new elections for the DWID's board of directors.

Can the DWID force you to cap your well?

No. The only power a DWID would have over someone else's well would be to condemn it, and that would require payment of full market value of that well to the well owner.

Possible Water Shortages and Alternative Water Sources

Is Scottsdale stopping the sale of water to water haulers and Rio Verde residents?

The City of Scottsdale approved an updated Drought Management Plan in April 2021. The Plan says that when the Colorado River system goes into Tier 1 shortage, Scottsdale will invoke access restrictions at water hauling stations to non-residents of the City of Scottsdale.

The U.S. Bureau of Reclamation declared a Tier 1 shortage that took effect on January 1, 2022. As a result, restrictions on water haulers will begin on January 1, 2023. Hydrology models indicate that a Tier 1 shortage is likely for both 2022 and 2023 and a Tier 2 and 3 shortage is possible for 2024 and 2025.

See November 1, 2021 Press Release from the City of Scottsdale

If a DWID is not formed and drought conditions improve, would the City of Scottsdale return to allowing use of the fill station for water haulers delivering to Rio Verde?

The city council voted on a <u>drought management plan</u> and at least in this document, they do not contemplate a return of service. On page 17 it states:

"It is important to note that these scenarios are snap shots in time of a single year and do not represent the length of time a shortage will last. For long-term planning purposes, these shortages are assumed to last multiple years. In normal years Scottsdale's excess CAP supply is recharged into the ground to be able to be withdrawn in times of shortage. Nevertheless, demand management during a shortage declaration is an important and purposeful tool to manage water supply and provides Scottsdale with the ability to utilize several options to effectively serve the citizens of the community in times of prolonged shortage. Prolonged reduction beyond 2025 are outside of the scope of this document but could impact supplies in future years."

What is the role of the Central Arizona Water Conservation District?

A water conservation tax supports the Central Arizona Water Conservation District (CAWCD) and the Arizona Water Banking Authority. The CAWCD was created to pay for the construction and operation of the Central Arizona Project or CAP canal. Property owners in Maricopa, Pinal and Pima county pay this tax. You can find more information regard-ing the tax on the CAWCD's website https://www.cap-az.com/departments/ inance/property-taxes. Their website explains that the CAWCD tax is similar to paying for roads and highways. You may not drive on all the roads in the community, but you benefit from living in a county with a well-developed highway system.

What are the available options for acquiring an outside source of water and how would this water be processed?

There are limited options available for the acquisition of a new (outside) water resource, but options do exist. Acquisition of an outside source will require a substantial capital investment, either by the participating landowners or perhaps a utility willing to make the investment for future service revenues. All of these options are being explored by the County in its efforts to help the Rio Verde Foothills find a water solution.

Development in Rio Verde Foothills

Why does Maricopa County continue to issue building permits in the Rio Verde Foothills with the ongoing water issue?

Minor lot divisions (aka lot splits) are governed by Arizona state law. State law allows property owners to split their parcel up to 5 times without following the state's subdivision regulations. This means that the developers of these minor land divisions do not need to prove that they have a 100-year assured water supply or provide any of the infrastructure (roads, drainage features, etc.) that are typically associated with subdivisions.

Why doesn't Maricopa County stop "wildcat" subdivisions?

Maricopa County does not have the authority to regulate "wildcat" subdivisions The Arizona Department of Real Estate is responsible for investigating illegal subdivisions (a parcel that is split 6 or more times by the same owner). Maricopa County reports suspected violations to the AZ Department of Real Estate for investigation and enforcement. Residents can also file a complaint directly on the Arizona Department of Real Estate's website: https://azre.gov/investigations/ ile-complaint

Updates from 2/4/2022 Community Meetings

Does EPCOR have water they can provide to Rio Verde?

During recent discussions with EPCOR they reiterated they would need an alternate water supply in order to work with the community to treat and deliver that alternate supply to residents, either by CC&N extension or by addition of a standpipe for water hauling. While options for alternate water supplies have been discussed, a feasible alternate water supply has not been identified.

See June 4, 2020 letter from EPCOR regarding water status

Can EPCOR get Harquahala groundwater to Rio Verde Foothills?

No. Currently, state law only allows a government entity to move water from the Harquahala irrigation non-expansion area to an Active Management Area (AMA). There is currently a bill at the state legislature (HB2055) that would allow a public service corporation, such as EPCOR, to transport groundwater from the Harquahala to the Phoenix AMA, which includes Rio Verde.

What are the criteria for approving or denying the DWID petition?

The criteria is outlined in Arizona Revised Statute 48-906:

Establishment of district; dismissal of proceedings; costs; addition or elimination of certain areas

A. Upon the hearing, if it appears after consideration of all objections that the petition is signed by the requisite number of owners of real property, and that the public convenience, necessity or welfare will be promoted by the establishment of the district, the board of supervisors by formal order shall declare its findings, establish the boundaries and declare the improvement district organized under a corporate name by which it shall be known in all proceedings. Thereafter the district shall be a body corporate with the powers of a municipal corporation for the purposes of carrying out this article.

Is the Board of Supervisors required to approve or deny the DWID based on a certain percentage of parcel owners who are either for or against the DWID?

No. The criteria for approving or denying the DWID petition can be found in Arizona Revised Statue 48-906.

If the DWID is approved, can the board members draw a salary from the DWID?

Statutory requirements for compensation and expenses incurred by the DWID can be found in Arizona Revised Statute 48-1013:

Compensation; expenses

A. Each director of an elected domestic water improvement district or domestic wastewater improvement district board of directors is eligible to receive not more than seventy-five dollars for each meeting of the board attended and reimbursement for necessary travel expenses for attending not more than four meetings of the board during a calendar month. Compensation shall be paid by the district.

B. Each director shall receive reimbursement for necessary expenses while engaged in official business of the district as authorized by the board.

How can I remove my name from the DWID petition?

For a property owner to remove their name from the DWID petition they may do one of the following:

- a. Put the request in writing and bring it in person with your ID to the MCDOT office at 2901 W. Durango St, Phoenix, AZ, 85009 and ask for either Ben Kwong or Alana Lewicki.
- b. A notarized letter with the request can be mailed to the address to the attention of Superintendent of Streets.
- c. If the DWID is heard by the Board of Supervisors, you can submit a speaker request and during your allotted speaking time request to be removed.

Are there other non-contiguous DWIDs in Arizona with hundreds of separate parcels?

Yes. The Blue Ridge Water Improvement District in Happy Jack, AZ is an example of a non-contiguous DWID.