REFERENCE TITLE: adequate water supply; notice

State of Arizona Senate Forty-eighth Legislature First Regular Session 2007

## **SB 1509**

Introduced by Senator O'Halleran

AN ACT

AMENDING SECTIONS 9-463.01, 11-806.01 AND 45-108, ARIZONA REVISED STATUTES; RELATING TO WATER.

(TEXT OF BILL BEGINS ON NEXT PAGE)

- i -

Be it enacted by the Legislature of the State of Arizona: Section 1. Section 9-463.01, Arizona Revised Statutes, is amended to read:

## 9-463.01. <u>Authority</u>

- A. Pursuant to the provisions of this article, the legislative body of every municipality shall regulate the subdivision of all lands within its corporate limits.
- B. The legislative body of a municipality shall exercise the authority granted in subsection A of this section by ordinance prescribing:
- 1. Procedures to be followed in the preparation, submission, review and approval or rejection of all final plats.
  - 2. Standards governing the design of subdivision plats.
- 3. Minimum requirements and standards for the installation of subdivision streets, sewer and water utilities and improvements as a condition of final plat approval.
  - C. By ordinance, the legislative body of any municipality shall:
- 1. Require the preparation, submission and approval of a preliminary plat as a condition precedent to submission of a final plat.
- 2. Establish the procedures to be followed in the preparation, submission, review and approval of preliminary plats.
  - 3. Make requirements as to the form and content of preliminary plats.
- 4. EITHER determine that certain lands may either not be subdivided, by reason of adverse topography, periodic inundation, adverse soils, subsidence of the earth's surface, high water table, lack of water or other natural or man-made hazard to life or property, or control the lot size, establish special grading and drainage requirements, and impose other regulations deemed reasonable and necessary for the public health, safety or general welfare on any lands to be subdivided affected by such characteristics.
- 5. Require payment of a proper and reasonable fee by the subdivider based upon ON the number of lots or parcels on the surface of the land to defray municipal costs of plat review and site inspection.
- 6. Require the dedication of public streets, sewer and water utility easements or rights-of-way, within the proposed subdivision.
- 7. Require the preparation and submission of acceptable engineering plans and specifications for the installation of required street, sewer, electric and water utilities, drainage, flood control, adequacy of water and improvements as a condition precedent to recordation of an approved final plat.
- 8. Require the posting of performance bonds, assurances or such other security as may be appropriate and necessary to assure the installation of required street, sewer, electric and water utilities, drainage, flood control and improvements meeting established minimum standards of design and construction.

- 1 -

- D. The legislative body of any municipality may require by ordinance that land areas within a subdivision be reserved for parks, recreational facilities, school sites and fire stations subject to the following conditions:
- 1. The requirement may only be made  $\frac{\text{upon}}{\text{upon}}$  ON preliminary plats filed at least thirty days after the adoption of a general or specific plan affecting the land area to be reserved.
- 2. The required reservations are in accordance with definite principles and standards adopted by the legislative body.
- 3. The land area reserved shall be of such a size and shape as to permit the remainder of the land area of the subdivision within which the reservation is located to develop in an orderly and efficient manner.
- 4. The land area reserved shall be in such multiples of streets and parcels as to permit an efficient division of the reserved area in the event that it is not acquired within the prescribed period.
- E. The public agency for whose benefit an area has been reserved shall have a period of one year after recording the final subdivision plat to enter into an agreement to acquire such reserved land area. The purchase price shall be the fair market value of the reserved land area at the time of the filing of the preliminary subdivision plat plus the taxes against such reserved area from the date of the reservation and any other costs incurred by the subdivider in the maintenance of such reserved area, including the interest cost incurred on any loan covering such reserved area.
- F. If the public agency for whose benefit an area has been reserved does not exercise the reservation agreement set forth in subsection E of this section within such one year period or such extended period as may be mutually agreed upon ON by such public agency and the subdivider, the reservation of such area shall terminate.
- G. The legislative body of every municipality shall comply with all provisions of this article and applicable state statutes pertaining to the hearing, approval or rejection,— and recordation of:
  - 1. Final subdivision plats.
- 2. Plats filed for the purpose of reverting to acreage of land previously subdivided.
- 3. Plats filed for the purpose of vacating streets or easements previously dedicated to the public.
- 4. Plats filed for the purpose of vacating or redescribing lot or parcel boundaries previously recorded.
- H. Approval of every preliminary and final plat by a legislative body is conditioned  $\frac{\text{upon}}{\text{on}}$  ON compliance by the subdivider with:
- 1. Rules as may be established by the department of transportation relating to provisions for the safety of entrance upon and departure from abutting state primary highways.

- 2 -

- 2. Rules as may be established by a county flood control district relating to the construction or prevention of construction of streets in land established as being subject to periodic inundation.
- 3. Rules as may be established by the department of health services or a county health department relating to the provision of domestic water supply and sanitary sewage disposal.
- I. If the subdivision is comprised of subdivided lands, as defined in section 32-2101, and is within a groundwater active management area, as defined in section 45-402, the final plat shall not be approved unless it is accompanied by a certificate of assured water supply issued by the director of water resources, or unless the subdivider has obtained a written commitment of water service for the subdivision from a city, town or private water company designated as having an assured water supply by the director of water resources pursuant to section 45-576 or is exempt from the requirement pursuant to section 45-576. The legislative body of the municipality shall note on the face of the final plat that a certificate of assured water supply has been submitted with the plat or that the subdivider has obtained a written commitment of water service for the proposed subdivision from a city, town or private water company designated as having an assured water supply, pursuant to section 45-576 or is exempt from the requirement pursuant to section 45-576.
- J. IF THE SUBDIVISION IS OUTSIDE OF AN ACTIVE MANAGEMENT AREA AS DEFINED IN SECTION 45-402. THE FINAL PLAT SHALL NOT BE APPROVED UNLESS IT IS ACCOMPANIED BY THE FINAL REPORT ON THE ADEQUACY OF THE WATER SUPPLY FOR THE SUBDIVISION, INCLUDING THE BRIEF STATEMENT OF THE BASIS FOR THE DETERMINATION THAT IS ISSUED BY THE DIRECTOR OF WATER RESOURCES PURSUANT TO SECTION 45-108. THE LEGISLATIVE BODY SHALL INCLUDE THE DIRECTOR'S DETERMINATION OF ADEQUACY OR INADEQUACY IN ANY PUBLIC NOTICE PROVIDED REGARDING THE CONSIDERATION OF FINAL APPROVAL FOR THE SUBDIVISION. IF THE SUBDIVISION RECEIVES A DETERMINATION OF INADEQUATE WATER SUPPLY BY THE DIRECTOR OF WATER RESOURCES, THE LEGISLATIVE BODY MAY DENY FINAL APPROVAL FOR THE SUBDIVISION OR MAY APPROVE THE SUBDIVISION WITH OR WITHOUT CONDITIONS, INCLUDING THE REUSE OF WATER, EVIDENCE OF FINANCIAL ASSURANCE, THE PURCHASE OF DEVELOPMENT RIGHTS AND OTHER WATER MANAGEMENT AND MITIGATION PROVISIONS AS DETERMINED BY THE LEGISLATIVE BODY ON A CASE BY CASE BASIS. ON FINAL APPROVAL OF ANY SUBDIVISION PURSUANT TO THIS SUBSECTION, THE LEGISLATIVE BODY SHALL NOTIFY THE DIRECTOR OF WATER RESOURCES OF THE APPROVAL AND THE NUMBER OF LOTS APPROVED.
- J. K. Every municipality is responsible for the recordation of all final plats approved by the legislative body and shall receive from the subdivider and transmit to the county recorder the recordation fee established by the county recorder.
- K. L. Pursuant to provisions of applicable state statutes, the legislative body of any municipality may itself prepare or have prepared a plat for the subdivision of land under municipal ownership.

- 3 -

L. M. The legislative bodies of cities and towns may REGULATE by ordinance regulate land splits within their corporate limits. Authority granted under this section refers to the determination of division lines, area and shape of the tracts or parcels and does not include authority to regulate the terms or condition of the sale or lease nor does it include the authority to regulate the sale or lease of tracts or parcels that are not the result of land splits as defined in section 9-463.

M. N. For any subdivision that consists of ten or fewer lots, tracts or parcels, each of which is of a size as prescribed by the legislative body, the legislative body of each municipality may waive the requirement to prepare, submit and receive approval of a preliminary plat as a condition precedent to submitting a final plat and may waive or reduce infrastructure standards or requirements except for improved dust-controlled access and minimum drainage improvements.

Sec. 2. Section 11-806.01, Arizona Revised Statutes, is amended to read:

## 11-806.01. <u>Subdivision regulation; platting regulations;</u> violation; classification; easement vesting

- A. The county board of supervisors shall regulate the subdivision of all lands within its corporate limits, except subdivisions which THAT are regulated by municipalities.
- No plat of a subdivision of land within the area of jurisdiction of such county shall be accepted for recording or recorded until it has been approved by the board. The approval of the board shall be endorsed in writing on the plat and shall also include specific identification and approval of the assurances, except those for hiking and equestrian trails required by this section. If a county planning and zoning commission exists, the plat may be referred to such commission for its consideration and the board may receive the recommendation of the commission. If the subdivision is comprised of subdivided land, as defined in section 32-2101, and is within a groundwater active management area, as defined in section 45-402, the plat shall not be approved unless it is accompanied by a certificate of assured water supply issued by the director of water resources, or unless the subdivider has obtained a written commitment of water service for the subdivision from a city, town or private water company designated as having an assured water supply by the director of water resources pursuant to section 45-576 or is exempt from such requirement pursuant to section 45-576. The board shall note on the face of the plat that a certificate of assured water supply has been submitted with the plat or that the subdivider has obtained a commitment of water service for the proposed subdivision for a city, town or private water company designated as having an assured water supply— pursuant to section 45-576.
- C. IF THE SUBDIVISION IS OUTSIDE OF AN ACTIVE MANAGEMENT AREA AS DEFINED IN SECTION 45-402, THE FINAL PLAT SHALL NOT BE APPROVED UNLESS IT IS ACCOMPANIED BY THE FINAL REPORT ON THE ADEQUACY OF THE WATER SUPPLY FOR THE

- 4 -

SUBDIVISION, INCLUDING THE BRIEF STATEMENT OF THE BASIS FOR THE DETERMINATION THAT IS ISSUED BY THE DIRECTOR OF WATER RESOURCES PURSUANT TO SECTION 45-108. THE BOARD OF SUPERVISORS SHALL INCLUDE THE DIRECTOR'S DETERMINATION OF ADEQUACY OR INADEQUACY IN ANY PUBLIC NOTICE PROVIDED REGARDING THE CONSIDERATION OF FINAL APPROVAL FOR THE SUBDIVISION. IF THE SUBDIVISION RECEIVES A DETERMINATION OF INADEQUATE WATER SUPPLY BY THE DIRECTOR OF WATER RESOURCES, THE BOARD OF SUPERVISORS MAY DENY FINAL APPROVAL FOR THE SUBDIVISION OR MAY APPROVE THE SUBDIVISION WITH OR WITHOUT CONDITIONS, INCLUDING THE REUSE OF WATER, EVIDENCE OF FINANCIAL ASSURANCE, THE PURCHASE OF DEVELOPMENT RIGHTS AND OTHER WATER MANAGEMENT AND MITIGATION PROVISIONS AS DETERMINED BY THE BOARD OF SUPERVISORS ON A CASE BY CASE BASIS. ON FINAL APPROVAL OF ANY SUBDIVISION PURSUANT TO THIS SUBSECTION, THE BOARD OF SUPERVISORS SHALL NOTIFY THE DIRECTOR OF WATER RESOURCES OF THE APPROVAL AND THE NUMBER OF LOTS APPROVED.

C. D. Any person causing a final plat to be recorded without first submitting the plat and obtaining approval of the board is guilty of a class 2 misdemeanor. No county recorder shall accept for recording or record any plat which THAT has not been approved as provided by this article.

 $\frac{D}{dt}$ . E. The ground of refusal or approval of any plat submitted, including citation of or reference to the rule or regulation violated by the plat, shall be stated  $\frac{dt}{dt}$  ON the record of the board.

E. F. The commission shall recommend to the board and the board shall adopt general regulations of uniform application governing plats and subdivisions of land within its area of jurisdiction. The regulations adopted shall secure and provide for the proper arrangement of streets or other highways in relation to existing or planned streets, highways or bicycle facilities or to the official map for adequate and convenient open spaces for traffic, utilities, drainage, access of fire fighting apparatus, recreation, light and air. The board may adopt general regulations to provide for the proper arrangement of hiking and equestrian trails in relation to existing or planned streets or highways, and if adopted, such hiking and equestrian trails shall conform to the official map for adequate and convenient open spaces for traffic, utilities, drainage, access of fire fighting apparatus, recreation, light and air. The general regulations may provide for modification by the commission in planned area development or specific cases where unusual topographical or other exceptional conditions may require such action. The regulations shall include provisions as to the extent to which streets and other highways shall be graded and improved and to which water, sewer or other utility mains, piping or other facilities shall be installed or provided for on the plat as a condition precedent to the approval of the final plat.

F. G. On recording of a plat, the fee of the streets, alleys, avenues, highways, easements, parks and other parcels of ground reserved to the use of the public vests in trust in the county for the uses and to the extent depicted on the plat including, but not limited to, ingress and egress

- 5 -

easements depicted on such plat. On annexation by any city or town such fee automatically vests in the city or town.

- G. H. Boards of supervisors of counties shall prepare specifications and make orders, inspections, examinations and certificates as may be necessary to protect and complete the provisions and make them effective. The regulations shall require the posting of performance bonds, assurances or such other security as may be appropriate and necessary to assure the installation of required street, sewer, electric and water utilities, drainage, flood control and improvements meeting established minimum standards of design and construction.
- H. I. Before adoption of regulations by the board or any amendment as provided in this article, a public hearing shall be held by the commission. A copy of the regulations shall be certified by the commission to the county board of supervisors, which shall hold a public hearing after notice of the time and place has been given by one publication fifteen days prior to the public hearing in a newspaper of general circulation in the county.
- I. J. Approval of a plat shall not be deemed to constitute or effect an acceptance by the county for designation of any street, highway, bicycle facility or other way or open space shown upon ON the plat into the county maintenance system, except for hiking and equestrian trails which shall be THAT ARE constructed and maintained by the county. However, at such time as the streets, highways, bicycle facilities or other ways are fully completed in accordance with the approved plat and written specifications made by the county board, the county shall accept such streets, highways, bicycle facilities and other ways into the county maintenance system within one year of completion.
- J. K. For any subdivision that consists of lots, tracts or parcels, each of which is of a size as prescribed by the board of supervisors, the board may waive the requirement to prepare, submit and receive approval of a preliminary plat as a condition precedent to submitting a final plat and may waive or reduce infrastructure standards or requirements except for improved dust-controlled access and minimum drainage improvements.
  - Sec. 3. Section 45-108, Arizona Revised Statutes, is amended to read: 45-108. Evaluation of subdivision water supply; adequacy determination; fee; adequacy determination program fund

A. In areas outside of active management areas established pursuant to chapter 2, article 2 of this title, the developer of a proposed subdivision including dry lot subdivisions, regardless of subdivided lot size, prior to recordation of the plat, shall submit plans for the water supply for the subdivision and demonstrate the adequacy of the water supply to meet the needs projected by the developer to the director. The director shall evaluate the plans and issue a report on the plans. THE DIRECTOR MAY PROVIDE THE DEVELOPER WITH A PRELIMINARY RESPONSE TO THE APPLICATION AND MAY PERMIT THE DEVELOPER TO PROVIDE ADDITIONAL INFORMATION BEFORE ISSUING A FINAL

- 6 -

REPORT. THE DIRECTOR SHALL ISSUE THE FINAL REPORT ON THE ADEQUACY OF THE WATER SUPPLY BEFORE THE DEVELOPER RECEIVES FINAL SUBDIVISION APPROVAL FROM A CITY OR TOWN COUNCIL OR FROM A COUNTY BOARD OF SUPERVISORS. THE REPORT SHALL INCLUDE THE RESULTS OF THE DETERMINATION AND A BRIEF STATEMENT OF THE BASIS FOR THE FINDINGS.

- B. The director shall evaluate the proposed source of water for the subdivision to determine its ability to meet proposed uses for a period of years commensurate with normal practices in other areas of the state and shall forward a copy of such evaluation to the state real estate commissioner, THE DEVELOPER AND THE CITY, TOWN OR COUNTY AUTHORITY RESPONSIBLE FOR PLATTING THE SUBDIVISION. IF THE SOURCE OF WATER FOR THE SUBDIVISION INCLUDES WATER THAT IS TRANSPORTED BY A VEHICLE OR BY RAIL, THE DEPARTMENT SHALL INCLUDE THAT INFORMATION IN THE DEPARTMENT'S ADEQUACY REPORT. THE DEVELOPER SHALL RECORD AS A PART OF ANY SUBDIVISION RECORDATION THE RESULTS OF THE DEPARTMENT'S ADEQUACY REPORT AND THE BRIEF STATEMENT OF THE BASIS FOR THE FINDINGS IN THE OFFICE OF THE COUNTY RECORDER IN THE COUNTY IN WHICH THE SUBDIVISION IS LOCATED.
- C. The director may designate cities, towns and private water companies as having an adequate water supply by reporting that designation to the water department of the city or town or private water company and the state real estate commissioner.
- D. The director may designate a city or town that does not directly supply water to customers as having an adequate water supply by reporting that designation to the city or town and the state real estate commissioner if all of the following apply:
- 1. The city or town has entered into a contract with the United States secretary of the interior or a county water authority established pursuant to chapter 13 of this title for permanent supplies of Colorado river water for municipal and industrial use.
- 2. The city or town has entered into a contract with each private water company that serves water within the city or town to provide Colorado river water to those private water companies.
- 3. The Colorado river water for which the city or town has contracted is sufficient together with other water supplies available to the private water companies that serve water within that city or town to provide an adequate supply of water for the city or town.
- 4. The director finds that new subdivisions within the city or town will be served primarily with Colorado river water by one of the private water companies that serve water within that city or town.
- E. The director shall not require a developer to submit plans for the water supply pursuant to subsection A  $\frac{\text{of this section}}{\text{of this section}}$  if either:
  - 1. Both of the following apply:
- (a) The developer has obtained a written commitment of water service from cities, towns or private water companies that have been designated as having an adequate water supply.

- 7 -

- (b) That city, town or private water company has been designated as having an adequate water supply pursuant to subsection C of this section.
  - 2. All of the following apply:
- (a) The city or town has been designated as having an adequate water supply pursuant to subsection D  $\frac{1}{2}$
- (b) The developer has obtained a written commitment of water service from a private water company that serves water within that city or town.
- (c) The developer has obtained the written concurrence of the city or town that has been designated.
- F. The director may revoke a designation made pursuant to this section when the director finds that the water supply may become inadequate.
- G. The state of Arizona and the director or department shall not be liable for any report, designation or evaluation prepared in good faith pursuant to this section.

- 8 -