

COMMITTEE ON NATURAL RESOURCES, ENERGY & WATER  
HOUSE OF REPRESENTATIVES AMENDMENTS TO H.B. 2084  
(Reference to printed bill)

Amendment instruction key:

[GREEN UNDERLINING IN BRACKETS] indicates text added to statute or previously enacted session law.

[Green underlining in brackets] indicates text added to new session law or text restoring existing law.

~~[GREEN STRIKEOUT IN BRACKETS]~~ indicates new text removed from statute or previously enacted session law.

~~[Green strikeout in brackets]~~ indicates text removed from existing statute, previously enacted session law or new session law.

<<Green carets>> indicate a section added to the bill.

~~<<Green strikeout in carets>>~~ indicates a section removed from the bill.

1 The bill as proposed to be amended is reprinted as follows:

2 Section 1. Section 48-901, Arizona Revised Statutes, is amended to  
3 read:

4 48-901. Definitions

5 In this article, unless the context otherwise requires:

6 1. "Assessment" or "assessment roll" means a special assessment  
7 made under this article.

8 2. "Block" means a parcel of ground, regular or irregular, bounded  
9 by streets or by streets and district boundary lines.

10 3. "Chairman of the board" means the person designated to preside  
11 over meetings of the board of directors.

12 4. "Clerk" or "district clerk" means the clerk of the board of  
13 supervisors, who shall be the clerk under this article and in whose office  
14 shall be filed all papers directed or required to be filed with the clerk.

15 5. "Commercial farming" means the intensive cultivation of arable  
16 land by the raising of agricultural or horticultural products as a  
17 principal source of the owner's livelihood.

18 6. "Commercial stock raising" means the breeding, raising and care  
19 of domestic animals as a principal source of the owner's livelihood.

20 7. "Contractor" includes personal representatives or assignee of  
21 the contractor.

22 8. "Delinquency" means delinquency in the payment of an assessment.

23 9. "Engineer" or "district engineer" means a person designated or  
24 employed by the board of directors of a district to perform any or all of  
25 the engineering work authorized to be done by the district under this  
26 article.

27 10. "Improvement bond" means a bond issued under this article.

1        11. "Lighting plants" includes electric light plants, electric  
2 power plants, gas plants, distribution systems, poles, parts, pipes,  
3 conduits, wires, tanks, reservoirs, generators for gas or electricity,  
4 transmission lines, towers, lamps, transformers of every character,  
5 machinery, apparatus, equipment and all appliances and structures  
6 necessary or incidental to the construction, installation or operation of  
7 a complete electric light, power and gas plant and distribution system  
8 placed on the streets improved, though extended beyond.

9        12. "Lot" includes any portion, piece, parcel or subdivision of  
10 land, but not property owned or controlled by any person as a railroad  
11 right of way.

12        13. "Owner" means the person in whom legal title appears by  
13 recorded deed, or the person in possession under claim or title, or the  
14 person exercising acts of ownership for ~~himself~~ THE PERSON or as the  
15 personal representative of the owner, including the boards of trustees of  
16 school districts and the boards of education of high school districts  
17 owning property within the proposed improvement district.

18        14. "Sewers" includes wastewater treatment facilities, tunnels,  
19 excavations, ditches, drains, conduits, channels, outlets, outfalls,  
20 cesspools, manholes, catch basins, flush tanks, septic tanks, connecting  
21 sewers of every character, machinery, apparatus, equipment and all  
22 appliances and structures necessary or incidental to the construction,  
23 installation or operation of a complete sewer system for either sanitary  
24 or drainage purposes.

25        15. "Street" includes avenues, alleys, highways, lanes, crossings,  
26 intersections, courts, places and grounds opened or dedicated to public  
27 use and public ways.

28        16. "Street superintendent" or "superintendent" means a county  
29 employee designated by the board of supervisors to perform the duties of  
30 street superintendent for all the districts organized under this article  
31 in any county.

32        17. "Time of delinquency" means the time when assessments become  
33 delinquent.

34        18. "Treasurer" or "district treasurer" means the treasurer of the  
35 county in which a district is situated, who shall be the treasurer of the  
36 district.

37        19. "Unincorporated area" means any portion of a county not within  
38 the limits of an incorporated city or town, so situated that any of the  
39 improvements provided for in this article might reasonably or properly be  
40 made or constructed for the benefit of the inhabitants of the area under  
41 existing special assessment statutes if the area were situated within an  
42 incorporated city or town.

43        20. "Wastewater systems" means sewers and other wastewater  
44 treatment facilities.

45        21. "Waterworks" means works for the storage or development of  
46 water for domestic uses, including drinking water treatment facilities,

1 wells, pumping machinery, power plants, **STANDPIPES**, pipelines and all  
2 equipment necessary for those purposes.

3       22. "Work" or "improvement" includes any of the improvements  
4 mentioned and authorized to be made in this article, the construction,  
5 reconstruction and repair of all or any portion of any such improvement,  
6 and labor, services, expenses and material necessary or incidental  
7 thereto.

8       Sec. 2. Section 48-902, Arizona Revised Statutes, is amended to  
9 read:

10       48-902. Authorization for improvement district; areas and  
11               lands excluded

12       A. An improvement district may be established in any unincorporated  
13 area, whether or not contiguous, by the board of supervisors of the county  
14 in which the proposed district is located, for the purpose of constructing  
15 and operating **WATERWORKS**, a wastewater treatment facility **OR A DOMESTIC**  
16 **WATER DELIVERY SYSTEM FOR THE PURPOSE OF DELIVERING WATER THROUGH WATER**  
17 **HAULING** and making other local improvements or acquisitions in the  
18 district or for the benefit of the district that are ~~permitted~~ **ALLOWED** by  
19 this article, and may contract for or in any other manner provide  
20 transportation services within the district through special assessments in  
21 such districts, or the issuing of bonds or making other contractual  
22 arrangements for improvements, and levying taxes for the operation and  
23 maintenance of improvements and streets within the district or for the  
24 benefit of the district.

25       B. With written consent of the state land commissioner, an  
26 improvement district may include state lands or state trust lands within  
27 its boundaries, but those lands shall not be included for purposes of  
28 forming or objecting to the formation or expansion of a district.

29       C. Notwithstanding subsection A of this section, an improvement  
30 district established for the purposes described in section 48-909,  
31 subsection A, paragraph 1, 6, 7 or 10 may include areas in an incorporated  
32 city or town with the consent of the city's or town's governing body.

33       D. At the time of the establishment of an improvement district,  
34 none of the following shall be included in the improvement district:

35       1. Territory lying within an incorporated city or town except as  
36 provided in subsection C of this section.

37       2. Lands owned or held by any common carrier for use in connection  
38 with interstate or intrastate commerce.

39       3. Unpatented mining claims.

40       E. Unless the improvement district is formed for the purposes  
41 described in section 48-909, subsection A, paragraph 7, at the time of  
42 establishment of an improvement district, none of the following shall be  
43 included in the improvement district if the owner objects to such  
44 inclusion as provided in subsection F of this section:

45       1. Lands owned or held for mining or metallurgical purposes.

46       2. Any tract of land of twenty or more acres in area actually used  
47 for commercial farming or commercial stock raising, or any subdivided

1 lands of which lots or blocks have not been offered generally for sale  
2 since the lands were subdivided.

3 F. The owner of any property included in the classifications listed  
4 in subsection E of this section may have the property excluded from the  
5 proposed improvement district if the owner files a verified statement with  
6 the board of supervisors ~~prior to~~ BEFORE the adoption of the resolution  
7 ordering the formation of the district, stating that the person executing  
8 the statement is one of the owners of the respective lot or parcel, the  
9 respective classification, that the lot or parcel is within such  
10 classification on the date of the statement, the legal description of the  
11 lot or parcel and that the signer requests that the lot or parcel be  
12 excluded from the improvement district. Any property owner may contest  
13 the statement at the hearing on formation of the improvement district.  
14 The board of supervisors shall rule on all such objections.

15 G. A domestic water improvement district may be formed or expanded  
16 in noncontiguous areas. If the proposed boundaries of a noncontiguous  
17 district are located within six miles of an incorporated city or town, the  
18 district shall obtain the consent of the governing body of the city or  
19 town prior to the formation or expansion of the district.

20 Sec. 3. Section 48-909, Arizona Revised Statutes, is amended to  
21 read:

22 48-909. Purposes for which public improvements may be  
23 undertaken; powers incidental to public  
24 improvements

25 A. When the public interest or convenience requires, the board of  
26 directors of an improvement district may order:

27 1. The whole or any portion, either in length or width, of one or  
28 more of the streets of the district graded or regraded, paved or repaved,  
29 landscaped or otherwise maintained, improved or reimproved.

30 2. The acquisition, construction, reconstruction or repair of any  
31 street, tunnel, subway, viaduct or conduit in, on, under or over which the  
32 district may have an easement or right-of-way therefor.

33 3. The construction or reconstruction of sidewalks, crosswalks,  
34 curbs, gutters, culverts, bridges, tunnels, siphons, manholes, steps,  
35 parkings and parkways.

36 4. The placement, replacement or repair of pipes, hydrants and  
37 appliances for fire protection.

38 5. The acquisition, construction, reconstruction, maintenance or  
39 repair of wastewater treatment facilities, sewers, ditches, drains,  
40 conduits, pipelines and channels for sanitary and drainage purposes, with  
41 outlets, cesspools, manholes, catch basins, flush tanks, septic tanks,  
42 connecting sewers, ditches, drains, conduits, channels and other  
43 appurtenances in, under, over or through any street or any land of the  
44 district or any right-of-way granted or obtained for such a purpose,  
45 either within or without the district limits.

46 6. The acquisition, construction, reconstruction, maintenance or  
47 repair of waterworks, including WELLS, STANDPIPES AND drinking water

1 treatment facilities, for the delivery of water for domestic purposes,  
2 INCLUDING FOR THE DELIVERY OF WATER THROUGH WATER HAULING, and of wells,  
3 ditches, canals, channels, conduits, pipelines and siphons, together with  
4 the necessary or usual appurtenances for carrying ~~storm water~~ STORMWATER  
5 or water from irrigation ditches, watercourses, streams or springs into,  
6 through or out of the district in, under, over or through any street, or  
7 any land of the district or any right-of-way granted or obtained for such  
8 a purpose, either within or without the district limits. This section  
9 does not prohibit the board of directors of an improvement district from  
10 purchasing an existing domestic water delivery system within the district  
11 or outside the district or constructing an initial or improving an  
12 existing domestic water delivery system inside or outside the district.

13 7. The construction, reconstruction or repair of breakwater levees  
14 or walls, riverbank protection or replacement of riverbanks and supporting  
15 land. A district established for this purpose shall cooperate and  
16 coordinate its plans and activities with the county flood control district  
17 established in the county and any incorporated city or town in which the  
18 district is established.

19 8. The acquisition, construction, reconstruction or repair of  
20 lighting plants and poles, wire conduits, lamps, standards and other  
21 appliances for the purpose of lighting and beautifying streets or other  
22 public lands.

23 9. The construction, reconstruction or repair of any work  
24 incidental to or connected with any improvement.

25 10. The acquisition, in the name of the district, by gift, purchase  
26 or otherwise and the maintenance, repair, improvement or disposal of any  
27 real or personal property necessary or convenient for district operation  
28 for a community center, park or recreational area.

29 11. Pursuant to section 48-902, the board of directors of an  
30 improvement district may contract for or in any other manner provide  
31 transportation services within the district.

32 B. In addition to the powers specifically granted by or reasonably  
33 inferred from this article, an improvement district through its board of  
34 directors may:

35 1. [EXCEPT AS PRESCRIBED BY SUBSECTION F OF THIS SECTION,]  
36 acquire by gift, purchase, condemnation or otherwise in the name of the  
37 district and own, control, manage and dispose of any real or personal  
38 property or interest in the property necessary or convenient for the  
39 construction, operation and maintenance of any of the improvements  
40 provided for by this article.

41 2. Join with any other improvement district, any city, town,  
42 governmental agency or Indian tribe, or any agency or instrumentality of  
43 an Indian tribe, or any person in the construction, operation or  
44 maintenance of any of the improvements hereby authorized.

45 3. Join with any other improvement district or any city, town,  
46 county or Indian tribe, or any agency or instrumentality of an Indian  
47 tribe, in improving streets running on or along the boundary of the

1 district and levy assessments and issue bonds for the district's part of  
2 the cost of those improvements.

3       4. Sell, lease or otherwise dispose of any property of the district  
4 or interest in the property when the property is no longer required for  
5 the purposes of the district or the use of which may be permitted without  
6 interfering with the use thereof by the district.

7       5. Sell or otherwise dispose of any property or material acquired  
8 in the construction or operation of any improvements as a by-product or  
9 otherwise, and acquire rights-of-way for the disposal by condemnation or  
10 otherwise.

11       6. Accept from this state or the federal government, or any agency,  
12 department or instrumentality of either, grants for or in aid of the  
13 construction of any of the improvements provided for by this chapter.

14       7. Notwithstanding any other law, sell improvement bonds to the  
15 federal government, or any agency, department or instrumentality of the  
16 federal government, for the construction of any of the improvements  
17 provided by this chapter.

18       8. Enter into contracts with this state or the federal government,  
19 or any agency, department or instrumentality of either or both, for the  
20 construction or supervision of construction by ~~the~~ THIS state ~~of Arizona~~  
21 or the federal government, or any agency, department or instrumentality of  
22 either or both, but reserving to the district the right to assess against  
23 the property benefited by the improvement, and located within the  
24 district, that portion of the cost of the improvement that does not  
25 qualify for aid under a state or federal grant.

26       9. Operate, maintain and repair the streets within the district and  
27 any improvements made pursuant to this chapter.

28       10. Do all things incidental to the exercise of the powers granted  
29 by this article.

30       C. A county improvement district formed for the purpose of  
31 purchasing an existing or constructing a new domestic water delivery  
32 system within the district or outside the district shall have the same  
33 authority and responsibility as an incorporated city or town pursuant to  
34 title 45 and chapters 22 and 28 of this title.

35       D. An improvement district that proposes to provide domestic water  
36 service within the certificated area of a public service corporation  
37 serving domestic water shall provide just compensation to the public  
38 service corporation pursuant to section 9-516 for the facilities or  
39 certificated area taken. The right to compensation for a public service  
40 corporation from an improvement district shall not apply if no facilities  
41 of the public service corporation are actually acquired by the improvement  
42 district and either of the following conditions exist:

43       1. At the time the law providing for compensation became effective  
44 the certificated area for which compensation is sought is an area that was  
45 within the boundaries of an improvement district.

1           2. A certificate is issued to a public service corporation for any  
2 area that is within an improvement district at the time the certificate is  
3 issued.

4           E. If the county board of supervisors determines that the public  
5 interest or convenience so requires, an improvement district that is  
6 formed for the purposes of providing domestic water service pursuant to  
7 article 4 of this chapter may also provide domestic wastewater service.

8           [F. AN IMPROVEMENT DISTRICT THAT IS ESTABLISHED FOR THE PURPOSE OF  
9 DELIVERING WATER THROUGH WATER HAULING MAY EXERCISE THE POWER OF EMINENT  
10 DOMAIN ONLY FOR THE LIMITED PURPOSE OF ACQUIRING OR OTHERWISE SECURING A  
11 SITE FOR THE CONSTRUCTION OF AND LEGAL ACCESS TO A SINGLE WELL AND A  
12 STANDPIPE TO PRODUCE WATER AND MAKE WATER AVAILABLE AT THE SITE FOR  
13 DELIVERY THROUGH WATER HAULING.]

14 Enroll and engross to conform

15 Amend title to conform

And, as so amended, it do pass

GAIL GRIFFIN  
CHAIRMAN

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