

Legislature passes Rio Verde solution, Hobbs voices support

Camryn Sanchez And Jakob Thorington Arizona Capitol Times//June 14, 2023

The Legislature passed a bipartisan bill with an emergency clause on Tuesday that would get water back to Rio Verde, and which Gov. Katie Hobbs said she plans to sign into law.

Since Rio Verde was cut off from Scottsdale's water supply on Jan. 1, the Legislature has tried and failed several times to come up with a solution that Democrats and Republicans can get on board with.

The Senate killed an alternative plan on Monday and Hobbs vetoed one in May that made it to her desk without bipartisan support.

The latest bill, Senate Bill 1432, is similar to Rep. Alexander Kolodin, R-Scottsdale's, earlier House Bill 2561 that passed the House in May, but language in the bill about "wildcat subdivisions" and developmental lot-splitting was a concern for many Republicans, including Senate President Warren Petersen, R-Gilbert.

Democrats have argued the cause for Rio Verde's water crisis is due to developers evading state law, which requires residential properties must have access to water for 100 years through the wildcat subdivision.



Rep. Alexander Kolodin, R-Scottsdale

Kolodin insisted he tried to get language on subdivisions in the bill but couldn't budge Petersen. "I want my Democratic colleagues to know we tried everything short of twisting his arm," Kolodin said.

An earlier Rio Verde bill from Rep. Gail Griffin, R-Hereford, [was vetoed by Hobbs in May](#), and the governor cited a lack of language addressing wildcat subdivisions as one of the main reasons for her veto.

Hobbs specifically asked for a bipartisan solution with an emergency clause that addresses the subdivision issue, but the bill lawmakers sent to her on Tuesday does not address subdivisions.

To find middle ground, the bill directs the Arizona Department of Water Resources to issue a report on whether and how a person who seeks a building permit for six or more residences within an active management area in unincorporated areas should obtain a certificate of assured water supply from the department.

At a press conference on Wednesday morning, Hobbs said the bill on her desk is the "preferred option," but acknowledged that subdivisions are still the "bigger problem."

"Rio Verde is a perfect example of why this loophole shouldn't exist. And we need to address it, because this won't be the first situation where we end up like this. And so, the broader issue is the lot splits, and I'm hoping that the Water Policy Council addresses that," Hobbs said.

Senate Bill 1432 would direct Scottsdale to provide water to Rio Verde through an intergovernmental agreement with a newly created standpipe district for three years. It also would take effect immediately with an emergency clause.

The standpipe district will be run by a board of five directors; one appointed by House Speaker Ben Toma, R-Peoria, one appointed by Petersen, one appointed by Hobbs, one appointed by the commissioner of the Arizona Department of Real Estate Susan Nicolson and one appointed by the Director of the Arizona Department of Water Resources Tom Buschatzke.

Residents worried about summer heat say they don't expect to get water for at least two months.

"There's people out there that wanted to create a government entity. And if they're on that board, then they'll be here lobbying to keep that board the long-term solution next session," Rio Verde resident Cody Reim said. He and many other Rio Verde residents opposed the creation of a standpipe district and board. They are worried that the board will try to keep power and impose fees on residents of the community, even when the more permanent EPCOR solution is ready in a few years.

Kolodin has defended the creation of the standpipe district and board by noting property owners in Rio Verde have the choice to join the district if they want. In a letter he sent to constituents in May, he wrote that estimates for district water fees are still being finalized, but the anticipated fee Scottsdale charges the district is expected to be a small fraction of current water prices in Rio Verde.

"Don't join it," Kolodin wrote to constituents who said they're not comfortable with another layer of government. "Then just ignore it and continue sourcing your water however you get it currently. If you don't join the standpipe district then it has about as much power over you as the City of Tucson does."

If and when the bill is signed into law, residents will focus their energies on getting good people appointed to the standpipe board. That means lobbying Toma, Petersen and Hobbs.

Yellow Sheet Editor Wayne Schutsky contributed reporting to this article.