

REFERENCE TITLE: county improvement districts; roads

State of Arizona
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HB 2486

Introduced by
Representatives Mason, Brown, Senator O'Halleran; Representatives Burns J,
Hershberger, Konopnicki, Tobin, Senator Verschoor

AN ACT

CHANGING THE DESIGNATION OF TITLE 48, CHAPTER 6, ARTICLE 4, ARIZONA REVISED STATUTES, TO "ALTERNATE FORM OF GOVERNMENT FOR DOMESTIC WATER IMPROVEMENT DISTRICTS, DOMESTIC WASTEWATER IMPROVEMENT DISTRICTS AND ROAD IMPROVEMENT AND MAINTENANCE DISTRICTS"; AMENDING SECTIONS 48-1011, 48-1012, 48-1013, 48-1014, 48-1016, 48-1017 AND 48-1018, ARIZONA REVISED STATUTES; RELATING TO ROAD IMPROVEMENT AND MAINTENANCE DISTRICTS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Heading change

3 The article heading of title 48, chapter 6, article 4, Arizona Revised
4 Statutes, is changed from "ALTERNATE FORM OF GOVERNMENT FOR DOMESTIC WATER
5 IMPROVEMENT DISTRICTS AND DOMESTIC WASTEWATER IMPROVEMENT DISTRICTS" to
6 "ALTERNATE FORM OF GOVERNMENT FOR DOMESTIC WATER IMPROVEMENT DISTRICTS,
7 DOMESTIC WASTEWATER IMPROVEMENT DISTRICTS AND ROAD IMPROVEMENT AND
8 MAINTENANCE DISTRICTS".

9 Sec. 2. Section 48-1011, Arizona Revised Statutes, is amended to read:
10 48-1011. Definitions

11 In this article, unless the context otherwise requires:

12 1. "Clerk" means the person appointed by the board of directors to act
13 as the clerk for the district and to perform the duties otherwise prescribed
14 for a clerk pursuant to this chapter. The board shall establish and make
15 known an office and mailing address for the clerk.

16 2. "Domestic wastewater improvement district" means a county
17 improvement district that is ~~either~~ formed for the purpose of purchasing an
18 existing domestic wastewater treatment facility within the district and, if
19 necessary, improvements to the system or that is converted pursuant to
20 section 48-1018.

21 3. "Domestic water improvement district" means a county improvement
22 district ~~which~~ THAT is ~~either~~ formed for the purpose of constructing or
23 improving a domestic water delivery system or purchasing an existing domestic
24 water delivery system and, if necessary, improvements to the system or a
25 district that is converted pursuant to section 48-1018.

26 4. "ROAD IMPROVEMENT AND MAINTENANCE DISTRICT" MEANS A COUNTY
27 IMPROVEMENT DISTRICT THAT IS FORMED FOR THE PURPOSE OF IMPROVING ONE OR MORE
28 ROADS TO LESS THAN THE COUNTY STANDARD AND PROVIDING FOR ONGOING MAINTENANCE
29 OF THE IMPROVED ROAD OR A DISTRICT THAT IS CONVERTED PURSUANT TO SECTION
30 48-1018.

31 ~~4.~~ 5. "Superintendent" means the person employed by the board of
32 directors to perform the duties otherwise prescribed for a superintendent
33 pursuant to this chapter. The board shall establish and make known an office
34 and mailing address for the ~~clerk~~ SUPERINTENDENT.

35 Sec. 3. Section 48-1012, Arizona Revised Statutes, is amended to read:
36 48-1012. Elected board of directors; initial members;
37 qualifications; terms; filling vacancy; chairperson;
38 qualifications of electors

39 A. At the option of the board of supervisors after presentation of a
40 petition requesting the establishment of a domestic water improvement
41 district, ~~or~~ a domestic wastewater improvement district OR A ROAD IMPROVEMENT
42 AND MAINTENANCE DISTRICT, or ~~upon~~ ON the submission of a separate petition
43 following the establishment of an improvement district as prescribed by
44 section 48-903, and subsequent to the approval of the county board of
45 supervisors, the district shall be governed by an elected board of

1 directors. The elected board shall consist of the number of members, not
2 less than three, specified in the petition for establishment of the
3 district. The first directors of such board shall be selected by the board
4 of supervisors at the time the district is established. Members of the board
5 of directors shall be qualified electors of the district and, after the
6 members first appointed by the board of supervisors, shall be elected by the
7 qualified electors of the district.

8 B. Immediately after the selection and qualification of the first
9 directors of the board, the directors shall meet and divide themselves by lot
10 into two classes as nearly equal in number as possible. Directors of the
11 first class shall serve for a term of four years, and directors of the second
12 class shall serve for a term of two years. Every director shall continue to
13 discharge the duties of office until a successor is appointed and qualifies.
14 Thereafter, at each regular election, one director for each expired term
15 shall be elected and shall hold office for a term of four years, and until a
16 successor is elected and qualifies. The dates of elections and of expiration
17 of terms shall be specified in the petition for establishment of the
18 district.

19 C. If a vacancy in the district board occurs due to death or
20 disability or any other cause other than resignation, the board of directors
21 of the district shall appoint a qualified elector of the district to fill the
22 office for the remaining portion of that term. If there is a vacancy in the
23 district board due to resignation, the district board shall accept the
24 resignation and appoint a qualified elector to fill the remaining portion of
25 that term of office. If the district board lacks a quorum for any reason for
26 more than thirty days, the county board of supervisors may revoke the
27 authority of the appointed or elected board of directors pursuant to section
28 48-1016.

29 D. The board of directors shall annually elect a chairperson from
30 among its members.

31 E. If only one person files or no person files a nominating petition
32 for election to fill a position on the board of directors of the district,
33 the county board of supervisors, by resolution, may cancel the election for
34 that office and appoint the person who filed the nominating petition to fill
35 that position. If no person files a nominating petition for an election to
36 fill a district board office, the county board of supervisors, by resolution,
37 may cancel the election for those offices and those offices are deemed vacant
38 and shall be filled as otherwise provided by law. A person who is appointed
39 pursuant to this section is fully vested with the powers and duties of the
40 office as if elected to that office.

41 F. For the purposes of either a domestic water improvement district or
42 a domestic wastewater improvement district that is organized pursuant to this
43 article and that serves at the time of organization a population of ten
44 thousand persons or less according to the most recent United States decennial
45 census, in addition to any other qualified elector of the district, any

1 natural person who is a qualified elector of this state and who is a real
2 property owner within the district is eligible to vote in a district election
3 without regard to that person's residency and shall be deemed a qualified
4 elector of the district for purposes of service on the board of directors.

5 Sec. 4. Section 48-1013, Arizona Revised Statutes, is amended to read:
6 48-1013. Compensation; expenses

7 A. Each director of an elected domestic water improvement district, ~~or~~
8 A domestic wastewater improvement district OR A ROAD IMPROVEMENT AND
9 MAINTENANCE DISTRICT board of directors is eligible to receive not more than
10 seventy-five dollars for each meeting of the board attended and reimbursement
11 for necessary travel expenses for attending not more than four meetings of
12 the board during a calendar month. Compensation shall be paid by the
13 district.

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

17 Sec. 5. Section 48-1014, Arizona Revised Statutes, is amended to read:
18 48-1014. Powers and duties of an elected or appointed board of
19 directors

20 A. The board of directors of a domestic water improvement district, ~~or~~
21 domestic wastewater improvement district OR ROAD IMPROVEMENT AND MAINTENANCE
22 DISTRICT elected or appointed pursuant to this article shall have all the
23 powers and duties of the board of supervisors sitting as the board of
24 directors of a county improvement district formed for the purposes prescribed
25 in section 48-909, subsection A, paragraph 1, 2, 3, 4, 5 or 6, including the
26 related powers and duties prescribed in section 48-909, subsection B and
27 section 48-910, and that are not in conflict with the provisions of this
28 article.

29 B. Additions to and alterations of the district shall be made in the
30 manner provided for the establishment of the district, except that
31 notification shall be published in a newspaper of general circulation within
32 the district, petitions shall be filed with the district board and all
33 actions related to a proposed boundary change are the responsibility of the
34 district board.

35 C. Notwithstanding section 48-906, subsection D, on approval of any
36 boundary change of the district, the district board may order the successful
37 petitioners to pay all of the costs of the boundary change.

38 Sec. 6. Section 48-1016, Arizona Revised Statutes, is amended to read:
39 48-1016. Revocation of authority of elected board of directors

40 The board of supervisors of the county in which a domestic water
41 improvement district, ~~or~~ domestic wastewater improvement district OR ROAD
42 IMPROVEMENT AND MAINTENANCE DISTRICT is located may at any time revoke the
43 authority of an elected board of directors in order to protect the residents
44 of the district. Any district in which the authority of an elected board of
45 directors is revoked pursuant to this section shall be governed by the board

1 of supervisors as provided by section 48-908 and the board of supervisors
2 shall have the option of calling for new elections for the district board of
3 directors.

4 Sec. 7. Section 48-1017, Arizona Revised Statutes, is amended to read:
5 48-1017. Reimbursement for county services

6 Services provided by a county to a domestic water improvement district,
7 ~~or~~ domestic wastewater improvement district **OR ROAD IMPROVEMENT AND**
8 **MAINTENANCE DISTRICT** are subject to reimbursement pursuant to section
9 11-251.06.

10 Sec. 8. Section 48-1018, Arizona Revised Statutes, is amended to read:
11 48-1018. Conversion of county improvement district to domestic

12 water improvement district, domestic wastewater
13 improvement district or road improvement and
14 maintenance district; notice; costs

15 A. A county improvement district that has acquired, has constructed or
16 owns a water system that provides domestic water to residents of that
17 district, ~~or~~ a county improvement district that has constructed and owns a
18 wastewater treatment facility that serves the residents of that district **OR A**
19 **COUNTY IMPROVEMENT DISTRICT FOR WHICH THE ROAD IMPROVEMENTS ARE NOT BUILT TO**
20 **THE COUNTY STANDARD, WILL NOT BE ACCEPTED INTO THE COUNTY ROAD SYSTEM AND**
21 **REQUIRE ONGOING MAINTENANCE** may be converted to a district under this article
22 by either of the following methods:

23 1. A board of supervisors, by resolution, may order conversion of a
24 county improvement district into a domestic water improvement district, ~~or~~ a
25 domestic wastewater improvement district **OR A ROAD IMPROVEMENT AND**
26 **MAINTENANCE DISTRICT** after a public hearing conducted with not less than
27 twenty days' notice mailed to the owners of real property in the county
28 improvement district as shown on the most recent property tax assessment
29 roll.

30 2. The owners of at least fifty per cent of the property that is
31 subject to an assessment to pay for existing improvements within a county
32 improvement district may petition the board of supervisors for a finding and
33 an order that the county improvement district be converted into a domestic
34 water improvement district, ~~or~~ a domestic wastewater improvement district **OR**
35 **A ROAD IMPROVEMENT AND MAINTENANCE DISTRICT**, and after consideration of the
36 petition the board, by resolution, shall order that conversion.

37 B. On adoption of an order for conversion as provided in subsection A
38 of this section, a county improvement district is converted to a domestic
39 water improvement district, ~~or~~ a domestic wastewater improvement district **OR**
40 **A ROAD IMPROVEMENT AND MAINTENANCE DISTRICT** and from that date is subject to
41 this article. Pursuant to section 48-1012, the board of supervisors shall
42 specify the number of members to serve on the board of directors of the
43 district and shall appoint the initial members.

44 C. All costs, expenses and attorney fees incurred by the county
45 improvement district and by any petitioners in seeking a conversion of a

1 county improvement district are a liability of the domestic water improvement
2 district, ~~or~~ THE domestic wastewater improvement district OR THE ROAD
3 IMPROVEMENT AND MAINTENANCE DISTRICT if conversion is ordered. If conversion
4 is not ordered, all costs, expenses and attorney fees incurred by the county
5 improvement district and by any petitioners in seeking a conversion of a
6 county improvement district are a liability of the county improvement
7 district.

8 D. All assets and liabilities of the converted county improvement
9 district become the assets and liabilities of the domestic water improvement
10 district, ~~or~~ domestic wastewater improvement district OR ROAD IMPROVEMENT AND
11 MAINTENANCE DISTRICT. The domestic water improvement district, ~~or~~ domestic
12 wastewater improvement district OR ROAD IMPROVEMENT AND MAINTENANCE DISTRICT
13 is the successor in interest of the former county improvement district and
14 succeeds to all rights, privileges and powers of the former county
15 improvement district with full rights to collect any debt, liability,
16 obligation or assessment owed to the former county improvement district and
17 to levy assessments, issue bonds and levy and collect taxes for the payment
18 of the general obligations of the district. A person shall not be relieved
19 of any debt, liability, obligation or assessment to a county improvement
20 district by reason of its conversion pursuant to this section.

21 E. Nothing in this section shall be construed to affect the authority
22 of a board of supervisors pursuant to section 48-1016.