

# **City Council Report**

Date: September 22, 2025

**To**: City Council

Through: Marc Heirshberg, Assistant City Manager

**From**: Chris Hassert, Water Resources Director

**Subject**: Formation of Mesa Vista Estates Irrigation Water Delivery District,

(District 1)

# **Purpose and Recommendation**

The purpose of this report is to consider a request received from the Mesa Vista Estates neighborhood to form an Irrigation Water Delivery District (IWDD) within the Salt River Project canal system and take action on a resolution providing City of Mesa consent on district formation.

Arizona Revised Statutes, Title 48, Chapter 20 entitled "Irrigation Water Delivery Districts" authorizes IWDD formation commencing with a petition by area owners filed with the applicable county board of supervisors. On June 21, 2025, the Mesa Vista Estates neighborhood held a meeting with 25 people in attendance to discuss the formation of an IWDD. All attendees agreed to proceed with the formation of the IWDD for the benefit of the neighborhood. There are approximately 85 lots affected by the proposed Mesa Vista Estates IWDD.

Water Resources Department staff have reviewed the conditions of the request. Staff believes it is in the City's best interest to allow the residents of Mesa Vista Estates greater control of their irrigation infrastructure and recommends that the Council issue a resolution of consent of the proposed IWDD. Maricopa County would then begin the process to create the Mesa Vista Estates IWDD to allow the residents to improve the maintenance and operation of their irrigation system.

## **Background**

An IWDD is a special taxing district and may be formed when the owners of a majority of the acreage of lots or parcels of land entitled to or capable of receiving irrigation water from the same ditch system, pipeline or system of pipes desire to provide for the delivery of irrigation water to their lands. IWDD's are "bodies corporate" but not municipal corporations. An IWDD has the legal powers to:

Exercise the power of eminent domain;

- Contract and be contracted with;
- Sue and be sued in its corporate name;
- Acquire, hold and dispose of real and personal property; and
- Do all things lawful and reasonably useful in carrying out its purposes.

The IWDD formation process begins when a petition is submitted to the Maricopa County Board of Supervisors by property owners representing a majority of the acreage within the proposed district. Before the Board of Supervisors acts on the petition, the Board requests a Resolution of Consent from the city or town in which the properties within the proposed irrigation water delivery district would be located. Once the petition is deemed complete and city consent is received, the Board of Supervisors schedules a public hearing and publishes notice in accordance with statutory requirements. Following the hearing, the county may approve the formation of the district as proposed, modify the boundaries, or deny the petition. Following formation, an IWDD is governed by a board of trustees, three persons who are landowners in the IWDD.

Attachments to this Report for reference only include 1) a city-wide map showing all IWDD's in Mesa, 2) proposed IWDD boundary maps and list of properties, 3) legal description, 4) written request for resolution from the Mesa Vista Estates neighborhood, and 5) SRP's consent to the formation of an IWDD.

#### **Discussion**

# Water Rights

Formation of this IWDD will not impact the City of Mesa's municipal water rights. The parcels within the proposed district are located within the Salt River Project (SRP) service areas and are entitled to receive irrigation water in accordance with historic surface water rights associated with the land. These entitlements are not altered by the formation of an IWDD.

#### **Taxation**

Property owned by an IWDD is exempt from taxation including a primary or secondary property tax when used for district purposes. The exemption applies only to district owned property, not property owned by people within the district. In this case, there would unlikely be an impact to the City as the district is unlikely to purchase significant amounts of real property.

## **Use of Public Roads**

Under A.R.S. § 48-3448, an IWDD is authorized to use public highways, roads, streets, and alleys for rights-of-way necessary for irrigation infrastructure. This use is subject to reasonable limitations imposed by either the county board of supervisors or the governing body of the city or town, depending on jurisdiction. In cases of dispute over such right-of-way access, either the city or the IWDD may bring the matter before the Arizona Corporation Commission (ACC) for resolution.

#### The Power of Eminent Domain

Under A.R.S. § 48-3447(C), an IWDD has the authority to condemn rights-of-way strictly for purposes related to irrigation infrastructure. This condemnation power is limited in scope and must be consistent with or incidental to the district's irrigation delivery mission. It is unlikely that a court would find irrigation use to be more necessary than an existing municipal public use, making condemnation of City owned property highly improbable. However, other private properties within the district could be subject to condemnation if legally justified and necessary for irrigation delivery.

#### **Alternatives**

Not approve the request for resolution: Council may not provide its consent to IWDD formation in the requested resolution. Doing so would likely result in the Maricopa County Board of Supervisors not moving forward with the process of creating the Mesa Vista Estates IWDD.

<u>Take no action</u>: Council could choose to take no action or postpone the item until a future date. This would result in a delay in the formation of the Mesa Vista Estates IWDD.

# **Fiscal Impact**

There is no direct cost to the City in providing its consent in a resolution for the formation of an IWDD for Mesa Vista Estates. However, any property owned by an IWDD could potentially be exempt from taxation. In addition, the formation of an additional political subdivision within City boundaries could result in costs related to disputes over eminent domain and use of public roads.

#### **Coordinated With**

This matter was coordinated with the Water Resources Department, Salt River Project, and Mesa Vista Estates neighborhood representatives.