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Vegas Builder Stakes Water for 20,000 Homes

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A Las Vegas developer with plans to build more than 20,000 homes outside Kingman has claimed the water needed for his project, leaving a shrunken supply for another builder with even bigger plans.

The Arizona Department of Water Resources informed Leonard Mardian this week that there was sufficient water for the proposed Ranch at White Hills, a master-planned community along U.S. Highway 93 near the Arizona-Nevada border.

The state's finding allows Mardian, in effect, to reserve the water he needs, removing it from the pool available for other projects. That could affect a pending application for water by Jim Rhodes, another Las Vegas builder who has outlined plans to build about 130,000 homes in northwest Mohave County.

"We're not saying that's the end of the water in that basin," said Herb Guenther, the state agency's director. "But the more resource that has been committed, the less that will be available for additional uses, whatever they may be."

At stake is a potentially lucrative piece of the southern Nevada housing market. Both developers plan to sell their subdivisions as affordable bedroom communities for workers in the Las Vegas area, which will be more easily accessible when a bridge bypassing Hoover Dam is finished in 2008.

In letters to Mardian and Rhodes earlier this year, Guenther cautioned that there likely was not adequate water for all the homes proposed, which meant the first builder to submit a completed application would have a priority claim.

Rhodes' attorneys challenged Guenther's reading of the regulations and said Rhodes would "take whatever steps necessary" to preserve his rights.

Neither Rhodes nor Mardian could be reached Wednesday.

Arizona law requires builders to prove that water exists to meet the needs of a planned subdivision for 100 years. In urban areas, such as Phoenix and Tucson, a developer can't build if there isn't enough water.

But in rural areas, such as Mohave County, developers can build with an inadequate finding as long as the city or county will issue permits.

Mohave County officials have said they will not allow developers to build if the state says there is not enough water. In an effort to pass the state's review, Mardian scaled back his plans, which initially called for more than 30,000 homes.

The state is examining one of Rhodes' planned projects that sits in the same water basin as Mardian's. Hydrologists will now have to factor in Mardian's planned homes as an existing demand on water.

Guenther said his staff will work closely with Rhodes, whose own hydrologists are working on more detailed studies of the water basins.

If those studies find there is more water than previously thought, the state will also factor that into its decision, Guenther said.

"But I cannot overly caution enough that these are low-volume basins with very little recharge," he said. "There's only so much water, and while we could wish it to be more, it's not there. A lot of people are going to have to recognize that if we are going to continue to grow in these low-water basins, we are going to have to bring more water in."