

OPEN MEETING AGENDA ITEM



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W-01303A-07-0209

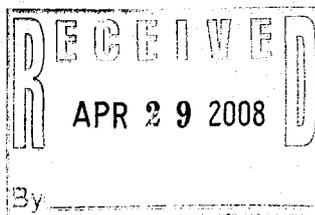


City Manager's Office

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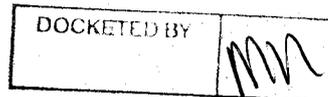
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Commissioner Mike Gleason, Chair
Arizona Corporation Commission
Commissioners Wing
1200 W. Washington - 2nd Floor
Phoenix, Arizona 85007



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April 25, 2008
Arizona Corporation Commission
DOCKETED

APR 29 2008



Re: Fire Flow Improvements in Arizona American Water Company's Sun City Water District;
Docket W-01303A-07-0209

Dear Commissioner Gleason,

The City of Peoria is in support of the fire flow improvements proposed by Arizona American Water Company in its rate case before the Commission. These improvements will improve the safety of Peoria residents served by Arizona American Water, as well as nearby residents. The proposed improvements will also make it safer for firefighters. Due to the interoperability of fire departments in the valley, a fire in Sun City or Youngtown may have fire units responding from the City of Peoria. These responding units require sufficient fire flows to perform their responsibilities.

Peoria agrees with Administrative Law Judge Jane Rodda when she states in her Opinion and Order on Docket W-01303A-07-0209:

"...we believe the construction of the fire flow improvements projects to be of sufficient importance as affecting public health and safety that they merit the action we take. The projects were proposed and unanimously approved by a community Task Force. Without the surcharge, the community would have to wait an undetermined period of time until the Company could contemplate commencing construction, much less complete the projects. We believe the time has come to bring the system up to current accepted standards for fire flow."

While the City supports the proposed fire flow improvements, the City takes no position on the other issues involved with this rate case, and would defer to the Commission's judgment in such matters.

Sincerely,

Terrence L. Ellis
City Manager

- cc: Carl Swenson, Deputy City Manager
- Susan Thorpe, Deputy City Manager
- John F. Wenderski, Deputy City Manager
- Stephen Bontrager, Utilities Director
- Brian Biesemeyer, Deputy Utilities Director
- John Schell, Intergovernmental Director
- Lloyce Robinson, Town Manager, Town of Youngtown

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W-01303A-07-0209

**Dawn Camp Condominium Association
16846 N. Boswell Blvd.
Sun City, Arizona 85351-1270**

April 28, 2008



Arizona Corporation Commission
Commissioners Wing
1200 W. Washington—Second Floor
Phoenix, Arizona 85007-2996

Attention: Chairman Mike Gleason

Dear Sir;

On behalf of the 36 members of the Dawn Camp Condominium Association, I am not objecting to the 29% water rate increase as it is my understanding our water rates have been frozen for approximately five years whereas other costs of living have increased. However, to burden the residents of Sun City with the greater portion of a five million dollar capital increase for the benefit of Youngstown residents does not seem like an equitable solution to Youngstown's water problems. Youngstown is a separate political entity with a city form of government and therefore it should take care of the needs of its citizens without relying on Sun City residents.

It should be noted that:

1. Sun City has not experienced the need for an increased fire flow project.
2. There are no requirements for 1500 gallons per minute fire flow.
3. No comparable AZ regulated water utility has ever exceeded ACC standards.
4. The Fire Flow Project is not mandatory.
5. The RCSC governing Sun City does not object to the 29% rate increase.
6. The Home Owners and Condo Owners Associations have no objection to the rate increase.
7. The Tax Payers Association does not object to the rate increase.

Therefore, in closing I would like to thank you for your time and consideration of our request to be free of any project that would subject our 36 condo owners and the other residents of Sun City to pay any part of improvements for the benefit of the City of Youngstown, Arizona, a separate political entity.

Sincerely,


Carroll Williams,
President