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Arizona Corporation Commission
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Arizona Corporation Commission
Commissioners Wing
1200 West Washington
Phoenix, AZ 85007-2996

Dear Commissioners,

As president of the Northwest Ranch Homeowner's Association in Surprise, I along with my Councilman, John Williams, have the unhappy task of facing residents of my community at a meeting tonight to talk about the proposed rate hike and the proposed settlement. While I was lulled into a less agitated state once there was a proposed settlement on the table, that was short lived once the analysis of the impact our HOA financials was done.

My HOA property manager, Jeanne Stockard, from R & R Property Management, and I have run the financial scenarios that we will face and how that will impact our financial position. We will be facing an annual increase of over $51,000 if everything stays the same. We are, of course, examining other options, like not over-seeding in the winter, putting in gravel, etc. All the options we consider however will result in additional cost to the Association and in turn to our residents, who are your constituents. We are a medium sized family HOA with 849 residences. We are limited by our CC&Rs in the annual amount of increase in fees that we can impose. Our residents have been impacted by the economy and worry about jobs and maintaining a quality of life of their families. Additionally, I am very concerned about the impact this will have on commerce in the City of Surprise, where we are trying to attract business, which equals jobs, and growing to meet the needs of its citizens.

As you know the residents of the Agua Fria Water District are really angry. The feeling is that we as individual residents in our homes and our HOA are paying the price for poor planning by the Arizona American Water Company. Further, to find out that in the middle of all the negotiating, the company was in the process of being sold to a Canadian concern further fed the anger. Clearly this rate increase was intended to put the company in a more favorable financial position.

I urge you all to evaluate the following points when voting on this water rate hike:

How will this impact our residents (your constituents) as individuals and their HOAs?
Is AZ American Water acting in good faith?
How will the business climate in the Agua Fria Water District be affected?
How will your positions as commissioners be impacted?

I ask that you do what is fair and equitable when voting on this matter.

Respectfully yours,

Christine J Baker
President, Northwest Ranch HOA