

ORIGINAL

OPEN MEETING AGENDA ITEM



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# STEVEN MOSS MOHAVE COUNTY SUPERVISOR



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August 26, 2015

VIA U.S. MAIL & EMAIL

Honorable Susan Bitter Smith  
Arizona Corporation Commission  
1200 W. Washington  
Phoenix, AZ 85007-2996

RECEIVED  
2015 AUG 26 P 1:45  
AZ CORP COMMISSION  
DOCKET CONTROL

Arizona Corporation Commission  
DOCKETED

AUG 26 2015

Re: EPCOR's MOHAVE WATER DISTRICT  
DOCKET NO. WS-01303A-14-0010

DOCKETED BY

Dear Chairman Bitter Smith:

My name is Steven C. Moss. I'm the Chairman of the Mohave County Board of Supervisors. As a Supervisor, I represent District 5 of Mohave County. District 5 includes Mohave Valley and Fort Mohave within its borders.

I have been following EPCOR's proposed rate increase request currently pending before you. I would strongly encourage you to vote "No" on any increase in the rate.

I have two reasons for urging you to vote no. The first is simple human compassion. The Mohave County area is the 5<sup>th</sup> poorest areas of the United States per recent census data (see attached). The Fort Mohave and Mohave Valley areas are predominantly retirees living on limited fixed incomes. A rate increase (no matter how small) will have a disproportionate impact on these residents who simply have no wiggle room in their budgets, as compared to more affluent areas.

Second, it is my understanding that EPCOR alleges the Mohave Valley operation is not profitable. The primary basis for this assertion is allegedly that it has 20+ employees at that plant. I have two comments: a) I don't believe there are, or there need be, 20+ employees operating that very small plant; and, b) EPCOR bought the Mohave Valley portion of its operations as part of a package deal; some were more profitable than others and, accordingly, EPCOR's profit-loss situation should be considered *in toto*, not in isolation.

August 26, 2015  
Chairman Bitter Smith  
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I know you have a difficult task ahead of you. I'm requesting that you consider the hardship which would be imposed on Mohave Valley residents if any increase were granted and the deal EPCOR purchased is, *in toto*, profitable. In considering those factors, please vote against any rate increase for the benefit of EPCOR.

Sincerely,

A handwritten signature in black ink, appearing to read "Steven Moss". The signature is written in a cursive style with a large initial "S" and "M".

Steven Moss

Mohave County Board of Supervisors

# Tri-city ranks as fifth poorest area in nation

Posted: Monday, October 29, 2012 10:00 am

Tri-city ranks as fifth poorest area in nation. By JIM SECOR. The Daily News. 4 comments

KINGMAN — Mohave County made it onto an unwanted list as one of the poorest areas in the nation.

Based on data from the U.S. Census, a 2012 community [survey](#) shows that the Kingman-Lake Havasu City-Bullhead City metro area ranks as the fifth poorest of more than 366 metropolitan areas in the country.

The median income in Mohave County's three-city metropolitan area is \$34,445 with a population of 203,334. The county's poverty rate is 21.7 percent.

Even though the area, especially Lake Havasu City, is popular for tourists, the [workforce](#) consists of low-paying retail, entertainment and hospitality jobs. The percentage of people in the county with at least a bachelor's [degree](#) is just 11.2 percent, the lowest in the country.

District 5 Sup. Steve Moss of Fort Mohave said the county needs distribution points, including rail and a bridge to Needles for industry to ship its products. Industries look for multiple ways in and out of a city. The Bullhead City and Mohave Valley area only has Highway 95 — a state highway — that accesses Interstate 40.

The county also needs a more educated workforce but it is a Catch-22 [situation](#) with the county not already having an educated workforce, which attracts companies. However, Moss said, the newly built Arizona State University branch campus in Lake Havasu City and Northern Arizona University branch campuses should help.

Mohave County's unemployment rate was 9.9 percent, which is the average for 2012. The county's unemployment rate was 10.2 percent and Bullhead City's unemployment rate was 9.1 percent in August. Kingman's unemployment rate was 11.6 percent and Lake Havasu City's unemployment rate was 11.3 percent for that month.

The county's metropolitan area joins nine others, all in the South, as the poorest in the nation. Brownsville, Texas, is the poorest metropolitan area, followed in order by Dalton, Ga.; McAllen, Texas; Gadsden, Ala.; Mohave County; Albany, Ga.; Monroe, La.; Cumberland, [Tenn.](#); Fort Smith, Ark.; and Pine Bluff, Ark.

The richest metropolitan areas are ranked in order as San Jose, Calif.; Washington D.C.; Stamford, Conn.; San Francisco; Boston; Ventura, Calif.; Anchorage, Alaska; Honolulu; Manchester, N.H.; and Napa, Calif.

Brownsville has the highest poverty rate at 36 percent and a median income of just \$30,953. Nationwide, the poverty rate is 15.9 percent. That city's unemployment rate was 10.5 percent.

In contrast, San Jose has a poverty rate of 10.8 percent and an unemployment rate of 8.6 percent. The city's median income is \$90,737 with a population of almost 1.9 million.

## Teresa Tenbrink

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**From:** Arden Lauxman <alauxman@yahoo.com>  
**Sent:** Tuesday, August 25, 2015 8:27 AM  
**To:** 'Tom Forese'; Little-Web; BitterSmith-Web; 'Bob Stump'; RBurns-Web  
**Subject:** PROPOSED RATE INCREASE FOR EPCOR WATER

Arizona Corporation Commission  
Commissioners Stump, Burns, Bitter Smith, Forese and Little,

On Thursday's agenda you will consider a rate increase to be assessed to the rate payers of EPCOR in Fort Mohave, Arizona. This is a rate increase for the company's sewer rates. The proposed rate increase is approximately 29%, from \$55 to \$71 monthly. The \$51 fee is already considerably more than neighboring sewer service providers. The City of Bullhead City's rate is \$31. Yet the ALJ and your staff are proposing to increase rates that are already exorbitant. I am aware of the many schedules and paperwork that are required for such rate studies. I am also aware that one of the questions posed by your staff is what the neighboring providers' rates are. I am led to believe that the information provided has not impacted staff or the ALJ's consideration.

The Commission is in place to protect the rate payers and the providers. Please protect the rate payers in this case. This increase will have a significant impact to all of us 1,450 constituents that have to take service from EPCOR. By doing such you can also protect the provider by sending them a clear message to consider selling these 1,450 services to a neighboring provider who can provide the service for what could stand to be more than a 50% savings of the proposed new rate.

You can analyze this case over and over and over again, but it simply is not fair to the EPCOR customers. When I purchased my home the rate was \$55 and I was reluctant to have to pay that rate. Now you are considering allowing EPCOR to charge me 29% more. Myself and my neighbors can neither afford this increase nor find tangible justification in paying such. If the system is under utilized and causing these higher maintenance costs then perhaps another entity needs to be given the opportunity to manage the costs. Approving an increase for the benefit of the stockholders of a Canadian company while seemingly giving no consideration to your own constituent rate payers is simply not fair.

Thank you for considering my comments.

Mr. Arden G. Lauxman  
1914 E. Clear Lake Drive  
Fort Mohave, Arizona 86426