



Greater Phoenix
Chamber of
Commerce

February 9, 2011

Mayor Gordon and Phoenix City Council
City of Phoenix
200 W. Washington Street
Phoenix, Arizona 85003

Dear Mayor Gordon and Members of the Phoenix City Council:

The Greater Phoenix Chamber of Commerce recognizes the challenges faced by city officials and staff to find balance between today's economic crisis and tomorrow's financial future. The significance of the water rate increase is clear to our organization. However, we have not had the opportunity to utilize our member-driven public affairs process to analyze the prudence of proposed investments, the reasonableness of city expenses, the fairness of the various cost-allocations or the overall efficiency of department operations. More specifically, we do not usually participate in city rate cases and the timing of the action required does not allow for ample review of the underlying cost support for the requested increase.

That being said, the Greater Phoenix Chamber of Commerce fully supports the efforts of the City of Phoenix to operate and maintain a reliable and reasonably priced water supply. We understand that such a business requires long range planning, infrastructure investment, materials and supplies, and a capable operating staff. We also recognize that customer rate increases, although always undesirable, are sometimes necessary to recover the costs required to provide adequate service.

Therefore, although we are not in a position to comment substantively on the amount of the request, we nonetheless urge you to carefully weigh the necessity for the increase, the importance of a financially sound water system and the impact of any increase on the citizens and businesses who are your customers.

Sincerely,

Todd Sanders
President and CEO
Greater Phoenix Chamber of Commerce

Steve Wheeler
Chairman, Board of Directors
Greater Phoenix Chamber of Commerce

cc: City Manager David Cavazos