



**Southern Arizona
Home Builders
Association**

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SAHBA – Comments on City/County Water Study Phase II Report : 30 Day Extension

TO: Mayor Walkup, Members of the Tucson City Council

DA: February 3, 2010

The Honorable Bob Walkup and Council Members:

On behalf of the 650+ SAHBA members, representing tens of thousands of employees, I would like to submit our comments on the Phase II Water Report during this 30 Day Extension. While we agree with the majority of recommendations contained within the report, there are some key issues, which we've previously addressed, that we believe must be resolved before adopting the report.

It is our hope that you will consider our input, as well as the input from the other commenters, to make an informed decision in respect to the Phase II Report and the implementation of the recommendations contained within.

1) Make Policy Based on Prudent Financial Decisions – There are several recommendations contained within the Phase II Report that have financial costs to them that is not identified. This prohibits the Mayor and Council Members from making fiscally sound policy decisions based on costs to the City, taxpayers and local businesses.

SAHBA advocates that the costs for the City of Tucson, Tucson taxpayers and local businesses are identified and shared with Mayor and Council, prior to adoption/implementation.

2) Protect Jobs & Local Economic Investment – The City of Tucson's interim obligated to serve water policy jeopardizes economic development projects and job creation/retention by selecting winners and losers for new water hook-ups.

SAHBA advocate that the Mayor and Council move quickly to craft a formal policy that allows Tucson Water the flexibility to extend service to projects near existing infrastructure that will create jobs and stimulate the economy.

3) Maintain a Complete Water Portfolio – The Conservation Effluent Pool (CEP) dedicates up to 10,000 acre feet per year of water to the environment without considering how it could be used instead for economic, social and municipal purposes.

SAHBA advocates the Mayor and Council not relinquish this water until the costs/benefits and pros/cons of such a policy have been fully considered as well as devising a financial/cost sharing plan to replace the CEP water.

4) Conduct A Regional Dialogue – While there has been some discussion from the City and County about Phases III-V of the Study, there hasn't been a clear indication

about how that regional process will occur. It is imperative that a fair and balanced regional discussion take place on water.

SAHBA encourages Mayor and Council to push for a regional consortium to lead Phases III-V of the report. This consortium should include representatives from the government entities in Pima County, stakeholders from the business and environmental communities and other municipal and private water/wastewater providers. PAG should be involved but only to the extent of providing administrative services.

- 5) Recognize the Benefits of Economic Growth** – Much of the language contained within narrative portions of the Phase II Report can be viewed as anti-growth. We believe the narrative fails to recognize the benefits of residential and commercial growth in our community such as job creation, economic investment and tax revenue.

SAHBA advocates that only the recommendations are used as part of future water policies and management decisions.

Thank-you in advance for considering our comments and we look forward to a constructive dialogue on these important issues.

Sincerely,

A handwritten signature in black ink, appearing to read "David".

David Godlewski

Government Liaison, SAHBA