



TOWN OF  
**PARADISE VALLEY**

6401 EAST LINCOLN DRIVE  
TOWN OF PARADISE VALLEY, ARIZONA 85253

OFFICE OF: TOWN MANAGER

PHONE: (602) 948-7411

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June 29, 1990

Edward G. Blundon  
City of Phoenix  
Water and Wastewater Department  
455 North Fifth Street  
Phoenix, Arizona 85004

Subject: Town of Paradise Valley Proposal -  
Purchase of Phoenix Water System

Dear Mr. Blundon:

The Town of Paradise Valley, our consultant, and our Council members are very appreciative to have the opportunity to consider the purchase of the Paradise Valley service area of your City's water system. The information that you have provided us has been thorough, complete, and in detail, so that an honest evaluation could be made.

All Town of Paradise Valley Council members and our residents expected that the City of Phoenix would be our water providers in perpetuity. We are disappointed that the City of Phoenix does not wish to keep that goal. You are respectfully requested by this letter to reconsider your desire to sell this small insignificant segment of your system.

It is our understanding that there are two private water companies who have, or will be, submitting valid proposals to you. As you know, Paradise Valley Water Company has a longstanding relationship with the Town of Paradise Valley and we would be most comfortable with them if they would be the successful purchaser. Integration into their system would certainly be a logical step.

Given our basic desire to have you continue to service us for the years ahead, and secondly, the knowledge of two private companies submitting proposals, the Town of Paradise Valley at this time will not submit a proposal to you for the purchase of that part of your system which serves Paradise Valley residents. As I said, we are not uncomfortable with you being our water provider and we have had a longstanding, amicable

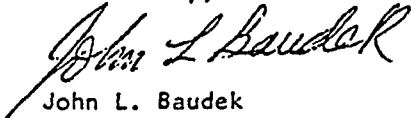


Ed Blundon/City of Phoenix Water  
June 29, 1990  
Page Two

relationship with the City of Phoenix and again ask you to  
reconsider your efforts to sell to others.

Thank you again for your consideration.

Yours truly,

A handwritten signature in cursive script, reading "John L. Baudek". The signature is written in dark ink and is positioned above the printed name and title.

John L. Baudek  
Town Manager

JLB/cl

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