

GREATER DALLAS CHAMBER®

February 28, 2005

Mr. Robert Johnson, P.E.
Director
Dallas Water Utilities
1500 Marilla
Dallas, Texas 75201

Dear Mr. Johnson:

The Greater Dallas Chamber represents 3,000 businesses, which employ over 700,000 people in the Dallas area. Assurance that Dallas will have water to support projected population and business growth over the next 50 years is paramount to maintaining a business climate supportive of business, as well as the living standards to which we are accustomed. Maintaining and increasing Dallas' prosperity without water is not possible.

The Chamber supports planning for the future long term water supply through:

- **Conservation:** The Chamber supports the goals of conservation.
- **Recycling:** The Chamber applauds DWU and supports the concept of indirect water reuse; specifically, the proposed reuse of 120 MGD by delivering 60 MGD of treated effluent to Lake Lewisville and 60 MGD to Lake Ray Hubbard.
- **Connection of existing DWU Supplies:** The Chamber supports a recommendation to connect Lake Palestine to the system.
- **Acquisition and connection of other existing and proposed sources:** The Chamber is pleased that many additional sources have been investigated. We support further study of the feasibility of two of those sources:
 - development of new sources in the Neches River Basin, such as the Fastrill Reservoir
 - development of new and existing sources in the Sulphur River Basin.

We urge the City of Dallas to participate in the feasibility study of new sources from the Sulphur River Basin. Without a commitment to participate in the study soon, it is likely that Dallas will lose its option to purchase water directly from the Sulphur River Basin and will inevitably pay higher rates. Ultimately, Dallas and its commercial and residential citizens will suffer without significant steps to plan for the future of our water supply.

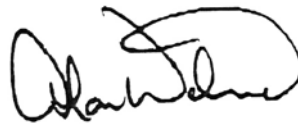
Please support commercial development of the city's tax base through insuring adequate water supplies to commercial users both now and in the future.

The Greater Dallas Chamber thanks Dallas Water Utilities for its leadership in researching alternative sources of water for our region, and we look forward to a continuing partnership with the City on this and other crucial matters.

Sincerely,



Albert Black
Co-Chair, Water Leadership Committee



Alan Walne
Co-Chair, Water Leadership Committee

c: Mayor Laura Miller
Members of the Dallas City Council

Top Water Users

(As of Feb. 8, 2005)

Texas Instruments
UT Southwestern Medical Center
Pilgrim's Pride Corp.
Lincoln Properties
Quaker Oats Inc.
Veterans Administration
Coca Cola Bottling
Camden Property Trust
Rock-Tenn Co.
Quality Sausage
Wyndham Anatole Dallas
Southwestern Bell
Schepps-Foremost Inc.
Performance Properties
Equity Residential

City of Dallas: Shifts in Property Tax Burden

Taxable Value	1983		1992		2002	
	\$	%	\$	%	\$	%
Business and Commercial	17,068,631,482	59%	17,236,185,522	54%	26,732,231,843	50%
Residential Real Estate	10,969,289,687	38%	14,483,184,720	46%	26,262,693,759	50%
Land	938,722,899	3%				
Total Tax Roll	<u>28,976,644,068</u>	<u>100%</u>	<u>31,719,370,242</u>	<u>100%</u>	<u>52,994,925,602</u>	<u>100%</u>