"Don't let fear dictate Vista Ridge water project decision," by Amy Hardberger, *San Antonio Express News*, ANOTHER VIEW, Sat., Oct. 18, 2014, p. A-19, http://digital.olivesoftware.com/Olive/ODE/sanantonioexpressnews/

No one wants San Antonio to run out of water. That should be the starting point of any water conversation, but it shouldn't be the ending point. Fear should not dictate decision-making, particularly in the case of the Vista Ridge water project under consideration by the City Council.

Scare tactics — such as stating that no one will move here without abundant water — are unfounded. Just ask Las Vegas. Decisions need to focus on fiscal responsibility and long-term supply reliability. A large-scale water purchase must be guided by unemotional questions such as:

Is the project necessary? Can the city afford it? Will water show up?

The proposed Vista Ridge project creates challenges on all of these fronts.

First, let's clear the air on need. For years, the San Antonio Water System has been telling the city it is not running out of water. The utility's own projections show that, under normal rainfall conditions, the city will not need additional water for many decades because of SAWS' effective diversification strategy. This project is for drought. It will provide abundant, not just adequate, water during a drought of record, should one occur.

This may sound like a great idea except the city is obligated to pay for all acceptable water that arrives, whether it's needed or not. Several billion dollars is a huge financial commitment for something that may only be used in limited circumstances. To pay for this water, SAWS proposed a 16 percent rate increase. While three times the 5 percent rate increase approved in 2012, there is still a risk that it won't be enough. Revenue is only recovered when people actually use the water. If it rains or people use less than expected, there will be a financial shortfall, and the utility or city budget will be forced to cover it.

Procuring long-term water supplies for drought is financially risky because drought is temporary. No one knows how long it will last or how much water will be sold. Demand projections are challenging because they depend on behavior. SAWS' pumping data over the last five years shows considerable variability making revenue predictions difficult even in average months. Drought restrictions are the safest way to financially manage dry conditions. If water is purchased for drought, it should be at a price point to protect against low sales. At an estimated $2,200 an acre-foot, this water likely exceeds the break-even price.

San Antonio isn't the first to face this challenge.

In 2009, Austin had a similar debate when it decided to invest $500 million in a water treat ment plant to provide an additional 50 million gallons of water a day. Although many groups made similar financial arguments, fear won out and the city proceeded with the project. Now, city water usage has decreased dramatically, delaying the need for the plant and necessitating a large rate increase to cover the financial deficit.

In Australia, desalination plants built for the drought are mothballed while payments are still being made.

Another important factor is the dependability of the water source. The mere fact that an aquifer is large does not make it sustainable. The best example of this is the Ogallala aquifer that spans eight states. While enormous, it is rapidly being pumped dry.

An aquifer is like a large bank account; it may look endless, but only lasts if deductions don't exceed deposits.

The Post Oak Savannah Groundwater Conservation District, which has regulatory authority over the Vista Ridge water, determined that about 50,000 acre-feet of water could be safely permitted. Given that the groundwater district has already granted permits for more than 100,000 acre-feet, it is uncertain how the city can rely on this water for 30 years. Even if the city doesn't bear financial risk in this scenario, we will still be without the water.

San Antonio needs to develop new water resources, but the projects must be affordable and dependable, come rain or shine.

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