

## WATER, GROWTH, AND PROBLEMS WITH THE POLLACK REPORT

The Prescott area needs to have a healthy debate about our future as it relates to growth and water. Unfortunately, the much-hyped Pollack report on the economic impacts of the proposed Big Chino pipeline is so seriously deficient that it does little to help either the public or decision makers understand these major issues. In fact, it hinders our understanding.

While it is clear that increased area population will lead to more economic activity, it is unclear to what extent increased economic activity will be beneficial to most of our citizens. Readers should consider: Will you be better off if the area's population doubles over the next couple decades? Will our economy, environment, and quality of life be better?

There is little doubt our area's population will increase. The question is what rate of growth is desirable. According to the Rocky Mountain Institute, communities that grow at a rate higher than 3% per year generally have more problems than communities that grow at a lower rate. Our area (except during the recent national downturn) has grown at a rate much higher than 3% -- a rate that is not sustainable based on available water supplies.

The Pollack report was paid for and is being promoted by the Central Arizona Partnership (CAP), whose officers are primarily from the development, construction, and real estate industries. About one-third of our area's economy has been dependant on new construction. We need to diversify our economy so our well-being is not continually based on excessive population growth.

Even the report admits Prescott Valley now has enough water to grow until 2031. The Big Chino project, therefore, is hardly a rush for them. Regarding Prescott, the report states that because it had about 1700 acre-feet of water available at the start of the year for future growth, it could grow only until 2014. However, if Prescott adds about 1200 people per year it would take about 200 acre-feet per year to provide for their water needs. The 1700 acre-feet would therefore provide enough water until 2016. On top of that there are homes that can be built because they already have water rights. These include home sites approved during the 1998-1999 "Plat Rush" and those that have been granted rights since then but haven't yet been built. These homes would add another 8,000 people to our city's population, allowing an additional seven years of growth. This will take construction to 2023. Prescott has recently applied to the Arizona Department of Water Resources for authority for an additional 1600 acre-feet of alternative water based primarily on expected future recharged effluent. This would add another 8 years of growth, taking Prescott to 2031.

The report basically says that if we don't import the Big Chino water, our area will die soon. It doesn't consider other alternatives. What if Prescott implemented strong water conservation measures for new developments such as those now being discussed in Chino Valley? Then developers could build twice the number of homes on the same amount of available water. The available 1700 acre-feet and expected additional 1600 acre-feet could provide for 33 years' growth, stretching Prescott's available water supply to 2047.

One major deficiency of the CAP report is that while it addresses increased government receipts resulting from growth, it doesn't address the increased costs to government

as a result of that growth. It touts “a fiscal impact of \$691.4 million to Prescott and Prescott Valley government revenues.” What it doesn’t say is how much governments’ costs will increase in order to provide services to new growth. Often new growth doesn’t pay the full cost of such services -- meaning the rest of us have to pick up the balance.

The report doesn’t consider environmental or legal costs related to the pipeline project, even though they may be sizable. Nor does it consider adverse impacts that excessive growth might cause by reducing tourism, degrading our quality of life, causing congestion, or other negative impacts.

Perhaps the greatest deficiency of the CAP report is that it doesn’t address the real issue surrounding the pipeline debate. The report’s basic goal is to show how it is important for this area to import new water. I don’t disagree; neither do most informed citizens. There is little disagreement that we will need additional water in order to reach safe yield and to support our future growth. But critics of the pipeline are instead focused almost entirely on protecting the Upper Verde River from the effects of excessive groundwater pumping on the Big Chino. They are uniformly requesting a mitigation plan.