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Press Release

Development Pioneer Conway Urges Economic Development Groups to Commit to Desalting Plants

Micanopy, Fla., Oct. 18, 2007: With water shortages in the news constantly these days, it's no surprise that noted economic development pioneer McKinley Conway [http://www.siteselection.com/issues/2004/jan/p029/50th_timeline.pdf] has something to say: "There is absolutely no question about what must be done sooner or later. … It's time for areas to commit to build seawater desalting plants," he contends.

He admits the costs are tremendous – the plants cost billions of dollars – but says the rewards are tremendous as well: "I know from personal observation that desalted seawater has given a large region an entirely new future filled with opportunities. How can we not be impressed?"

Now, with an unprecedented drought affecting many portions of the United States, Conway has launched an effort to bring attention to desalting technology. Here are his thoughts and arguments to justify building the huge plants that he confidently predicts will become "one of the world's biggest businesses."

For Immediate Release

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Decision Time for Desalting Plants

With water shortages looming across the country, it's time for many areas to commit to seawater desalting plants, and then get busy selecting sites and planning distribution routes. Prompt action can bring new rivers of fresh water and avert disasters.

by McKinley Conway

Wise corporate facility planners have something new to add to their list of location factors. And alert area economic development executives in California, Texas, Florida and many other locations have a new competitive factor to consider.

Everyone knows that new industries and growing communities must have a dependable water supply in order to prosper. What if droughts, exhaustion of ground water sources, decline of lake or river levels or a combination of such factors threaten an area's water supply? Site-seeking firms may look elsewhere. Competitive areas may gain advantage.

Certainly, water conservation programs should come first. Many jurisdictions are already imposing water-use limits. That buys time but doesn't solve the basic problem. Others try drilling wells deeper and deeper until their aquifer is maxed out. Still other

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groups propose to pipe water from distant streams and rivers. Such short-sighted strategies can do incalculable damage to the environment.

Is there a better solution? The answer is emphatically *yes*! There is absolutely no question about what must be done sooner or later. Many water agencies in the United States are going to have to adopt seawater desalting systems, which have long since proven to be effective in the Middle East.

I have seen the results in Kuwait, Bahrain, Qatar, the United Arab Emirates, Oman and Saudi Arabia. Where once there were bleak villages on barren desert sites, there are now bright, modern cities with tree-lined streets. There are homes with lush gardens. In the countryside there are productive farms.

I have visited the big desalting plant at Jubail, Saudi Arabia – a world model. I have seen the pipeline that carries a river of fresh water 200 miles inland to the capital city of Riyadh. I know from personal observation that desalted seawater has given a large region an entirely new future filled with opportunities. How can we not be impressed?

Certainly, desalted seawater is no secret. There are more than 7,000 desalination plants, mostly small ones, in operation worldwide. About two-thirds are located in the Middle East, and others are scattered across islands in the Caribbean and elsewhere. Citizens of Aruba, for example, boast about their water. I visited their high-tech plant, which has for many years met the needs of a thriving tourist industry.

The largest plant in the United States is the pioneering $158 million project of the Tampa Bay (Fla.) Water agency. The project was let to contract in 1999, and, after overcoming some technical problems in its early years, is now performing well. Wetlands expert Robin Lewis (http://www.RoyRLewis.com), who has spent 40 years studying Tampa Bay, has found no significant environmental problems as a result of the plant.

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A Challenge for Water Officials

As yet no U.S. water agency has undertaken a really big project comparable to those found along the Arabian Gulf. However, the time has come for that kind of planning.

The first obstacle is cost. We're talking about multi-billion dollar projects. Desalted seawater is expensive today and it will take time for improving technology to bring the cost down. That will give timid government officials and politicians excuses to delay action. Many will drag out the planning process for years, during which the cost of a plant and related distribution facilities may double or triple.

Fuel is a major factor. Desalting plants in the United States don't have access to cheap oil as do those plants in the Middle East. Planners of big new units in the western United States need to think of energy from wind and solar installations. Along the Florida coast, ocean energy could become important. The Gulf Stream is an enormous asset waiting to be used. Electric utilities that need cooling water may joint-venture such undertakings.

Today, plans are underway in California for a seawater desalting plant to meet about one-half of the water requirements of Santa Barbara. A group that includes Bechtel and several utilities has proposed to build a desalting plant near San Diego to produce 100 million gallons per day of potable water. A private developer has built a small plant on Catalina Island. North of San Francisco, Marin County is considering a seawater unit.

Texas is also active. A $2-million pilot plant has been built at Brownsville to explore ideas for a $150-million installation, which is planned for 2010.

Obviously, coastal states have a big advantage in coping with future water needs. There are many cities sitting at the ocean's edge and many more nearby. There will be major problems with inland cities. Sooner than we think, it will be necessary to build

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pipelines to some of them. Right now Las Vegas is planning a $2-billion, 300-mile pipeline to bring water from rural northeast Nevada counties to the city.

Booming Orlando has been expecting to meet future water needs by piping in water from the St. Johns and other rivers in northern Florida. However, this scheme is strongly opposed by ecologists. After the expensive environmental mistakes of the cross-Florida barge canal (http://en.wikipedia.org/wiki/Cross_Florida_Barge_Canal) and the ongoing re-plumbing of the Everglades (http://www.evergladesplan.org/index.aspx), the state may be hesitant to approve any more drastic changes in natural flow patterns.

Thus, Orlando could be the first large inland city in Florida to resort to a seawater desalting system, as difficult as that might be. There would be powerful opposition to building a large desalting plant at the nearest point on Florida's east coast where it might conflict with the NASA launch complex. An offshore site might be a viable alternative.

Atlanta's Water Problems

I am astonished to report that at this moment the Atlanta area is threatened with a water crisis. Way back in the 1950s I was chairman of the planning commission in DeKalb County, the fastest-growing entity in the Atlanta metro area. I then served two terms in the Georgia Senate, dealing with current and impending problems. Later I was chairman of the Georgia Science and Technology Commission, which received planning studies from groups of experts. In none of these positions did I ever hear of a possible long-term water shortage for Atlanta.

What happened? A population explosion accompanied by an extended drought of unprecedented severity has lowered water levels drastically in Lake Lanier and Lake

Allatoona – two huge reservoirs serving the area. Will Atlanta, 300 miles from the ocean, someday have to turn to seawater?

Long-range climate forecasts predict such water shortages for many cities throughout the nation. These problems can only be solved via expensive new systems that require years to plan and build. This is not easy to sell. Politicians prefer short-range projects. At election time, they want photo opps where they can pose while cutting the ribbon opening a new highway. Projects that show nothing but a big muddy hole in the ground are not so popular.

Long delays are also very expensive. In the 1960s I was co-author of the Senate bill that launched MARTA, the Metropolitan Atlanta Rapid Transit Authority. Had it actually gotten underway then, it would have been a very timely move. Unfortunately, the officials involved did not get actual construction started until about 10 years later. During that interval, developers located high-rise buildings in the planned right-of-way and the cost more than doubled.

Looking Far Ahead

Will large numbers of seawater desalting plants cause new problems? Of course they will. All big projects bring headaches. However, while desalting plants could trigger individual site problems, they could in the aggregate solve a huge global problem – the rise of sea levels due to global melting (www.siteselection.com/features/2007/mar/publisher/).

Regardless, one of the safest predictions is that the manufacture and distribution of fresh water will become one of the world's biggest businesses. And the sooner we get on with it, the better for all of us.

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About the Author

McKinley Conway's development history is voluminous and distinguished. Just a few of his milestones include founding *Site Selection*, (www.siteselection.com) the first-ever magazine focused on corporate real estate and economic development, and founding two industry associations that set the standard for the industry's professional development — the International Development Research Council (IDRC) and the Industrial Asset Management Council (IAMC) [www.iamc.org].

And there's much, much more. Conway created the industry's first development-focused Internet site, SiteNet, [www.sitenet.com] all the way back in 1983. And he founded Spruce Creek, the pioneering fly-in community near New Smyrna Beach. For even more on Conway's sizeable development-industry legacy, click here. [http://www.siteselection.com/issues/2004/jan/p029/50th_timeline.pdf]

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