

City officials say fixing Fresno's water challenges won't be cheap

By George
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Thomas Esqueda, director of the Fresno Department of Public Utilities, shows how water utility dollars are divided up during the city of Fresno's third water forum held at Gaston Middle School in southwest Fresno Monday, Oct. 27, 2014. CRAIG KOHLRUSS — Fresno Bee Staff Photo | [Buy Photo](#)

A month of water debate has delivered an unsurprising message to Fresno City Hall — given their druthers, people prefer stuff to be free.

But the 150 people who gathered at Gaston Middle School in southwest Fresno on Monday for the third of four water forums got an equally unsurprising reply: Water is the stuff of life, and it's going to cost you.

The first two forums handled easy topics such as Fresno's water resources and needs. No. 3 explored the difficult task of solutions and costs.

In other words, the very issues that got Fresno into this unusual situation in the first place.

Mayor Ashley Swearengin last summer embarked on a \$410 million upgrade of the city's water system. A divided City Council supported four years of residential and commercial rate hikes to pay for everything.

Former Fresno County Supervisor Doug Vagim vowed to take the project to a vote of the people. After months of political and legal battle, the two sides agreed to a truce. The rate hikes were repealed and public forums were arranged for a more thorough community review.

As did the other two, Monday's forum began with a video of on-the-street interviews with regular folks. Two questions stood out.

Do you think the average Fresnan pays more or less per month for water than her counterpart in Stockton and Bakersfield?

How much would you like to pay for the safe and reliable source of water that — duh! — human beings need to exist?

The consensus on No. 1 was that Fresnans pay more. According to City Hall, Fresnans actually pay less, whether by the current rate or the rate approved by council last summer.

As to the consensus on No. 2, well, that's already been established.

The forum moved fast from there.

City Controller Michael Lima went over the limited number of ways to pay for public projects. For example, he said, there's pay-as-you-go. That works great if you have plenty of cash, Lima said. He had no need to add that Fresno isn't rich.

Another is gifts (also called grants) from Sacramento and the feds. Lima said the competition is fierce for such gifts.

Finally, there is the bond market. Debt. Payment for any upgrade to the city's water system would make use of every source of money, Lima said. But the bond market, he added, would probably be the big one.

Then, with Public Utilities Director Thomas Esqueda taking center stage, the forum dug into potential sources of cash for paying the debt. This part was a bit vague because, as city officials acknowledged, it's unclear how much is needed. A second go at the project may not be \$410 million, especially if the size of a proposed surface water treatment plant for southeast Fresno is trimmed.

Audience members were of several minds. Some wanted developers to foot most, if not all, of the bill for any new treatment plant. Others went a step further. They suggested taking the new treatment plant off the table, saving money and putting a quick halt to all future growth.

Esqueda made two key points. The first is his conviction that the wisest course is having people pay for what they use. Everyone might pay the same per-gallon cost. Or there might be a tiered system. Details can be settled later, he said.

Esqueda's second point was about inevitability. The geology, economics and politics of water in 21st century California will only get more complex. Fresno must take control of its water fate by building — and funding — the necessary infrastructure now, he said.

"Why did we not do this 25 years ago?" he said.

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