

Whither Water



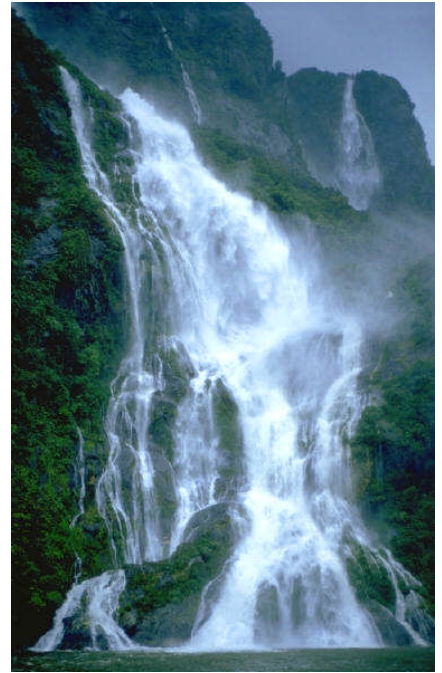
KARL B. FRIEDMAN

Water is free! True! Scientists tell us that water on and around the planet Earth is a relatively constant figure. It is in the oceans, icecaps, rivers, streams, lakes, aquifers, wells, in the air, and all around us. The cost is not in the acquisition of the water, but rather in the distribution and disposition of the water. That cost creates a factor that weighs heavily in economic plans for the future. Water shortage is going to be worse than the tension currently created by the high costs of gasoline and how that plays into the costs of commodities. Great growth in population exacerbates the demand.

The idea of the scarcity of the water is truly frightening. We have all grown up assuming that the supply of water we need is, literally, limitless. It is not. Some people in some parts of the world have already experienced drought conditions where there is simply no water to drink or bathe or cook or grow crops. Out of the demand and need and urgency for water, we find wars, conquests, starvation and death. It was not too long ago that water was provided basically free, in a sense, with some modest charge for bringing it into a household. The actual costs of the water consumed in the household has risen dramatically (along, of course, with the enormous increases in sewer charges) and we have been introduced to elevating costs for the disposition of water for treatment purposes. A car wash, a nursery, a public swimming pool, totally dependent on access to water, has to come to a new, grim reality: it could perish and exist no longer because of the costs or absence of water.

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Let's look at a few specific situations. Right now, Jefferson County, Alabama, and the areas immediately surrounding it are in a drought, coupled with over-consumption; consequently, the rules and regulations by the Birmingham Water Works Board, the County and various municipalities



restrict the use of water and punish the user by geometric increased in the charges. In many instances ~ particularly Jefferson County ~ the costs of maintaining the sewer system for waste water is many times more than the actual cost of the water.

The reasons why the sewer charges in Jefferson County have increased exponentially have been exhaustively reported in the Birmingham News.

Yet, the problems in Jefferson County pale when one looks to other areas of the world. When we talk about peace in the Middle East and emphasize the need to develop a Palestinian state, we talk about war and trade, but the final critical and indispensable element, lost in the din, is the issue of the availability of water. Israel constantly restricts its internal consumption, but generally uses water for agricultural purposes and scientific pursuits, as well as the usual domestic requirements. The area now designated or considered for a Palestinian state has no water. There are no aquifers underneath. There are no wells available at a depth where water can be captured. Israel does not have sufficient excess of water to provide it. In fact, Israel will go to war before it gives up the rights to certain sources of water that come into Israel, like the Banyas Springs on the Golan Heights.

In another part of the world, Darfur is a horrible and terrible example in many ways, but the greatest stress is the absence of water. Darfur suffers from much, including no crops, no industry, no business life, completely nomadic. All of the problems, including the war, civil and otherwise, and health needs could be solved with adequate water.

The Great Lakes, together, are the largest source of fresh surface water in North and South America. The existence of the Great Lakes is life or death for its surrounding areas, and the downstream users. The control of the water in the Great Lakes is zealously and jealously guarded and protected. If properly managed, all of the water of the Great Lakes, without reduction in basic quantity, could be delivered to the entire

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southeastern part of the United States, and there are plans afoot for just that purpose. The key, as always, is "proper management."

The situation is much worse in the far western states. Water rights are now being bought and sold, like stocks and bonds. Communities are beginning to fight over access. The demand is growing so fast that the depletion, if not inevitable, is at least a legitimate threat on the horizon.

Now, closer to home and more personal is the cost of water and sewer treatment in the Birmingham area. Many users have automatic sprinkler services that are separately metered and for which there is a refund in recognition that the water is being absorbed on the land and not ending up in the sewer

system. When one waters by hand through the regular consumption facilities of the household, it is being surcharged as excessive water use and it is not refundable. Of course, how the surcharges are handled is a political question, as well as an economic one.

Every business and every family need to include in financial planning the question of availability of water at what could be extremely higher costs, and how one could cope with, if not total absence, then extremely strict rationing. If one had to depend solely upon bottled water at the current prevailing price, you would wonder why gasoline is so cheap.

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Going GREEN Can Save You GREEN at Tax Time



LEIGH A. KAYLOR



I will admit that while green is my favorite color, I am not a particularly "green" person. I do not take canvas bags with me to the grocery store to use in lieu of the terribly convenient plastic bags that clog landfills. I do not limit myself to three minute showers and brush my teeth while I'm in there. (I have considered showering on my front lawn on Mondays and Thursdays during the drought restrictions for Jefferson County this summer, to kill two birds with one spray, but I think it is prohibited by the homeowner's covenants.) I do not compost my leftovers. However, if you are like me, there are some ways to "go green" in your everyday life that are not extreme, and can save you some green at tax time.

For instance, if you are considering the purchase of a new car, you might want to consider purchasing one of the so-called hybrids. Hybrid vehicles have drive trains that are powered by both an internal combustion engine and a rechargeable battery. The Energy Policy Act of 2005 replaced a prior clean-burning fuel deduction with the Alternative Motor Vehicle Credit, a federal tax credit that applies to qualified hybrid vehicles purchased or placed in service on or after January 1, 2006. A tax credit is often better than a deduction because it is subtracted directly from the total amount of federal tax owed.

The tax credit amount is based on a formula determined by vehicle weight,