

# LIQUIDITY CRISIS

Responsible water management in buildings will increase efficiency and lower costs



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“WHEN THE WELL’S DRY, WE KNOW THE WORTH OF WATER.”—BEN FRANKLIN, 1746 Long before the first municipal water systems, buildings had rain barrels, wells or cisterns. People used water judiciously because it was scarce. Unfortunately, modern delivery systems and highly subsidized pricing have created the illusion that water is both unlimited and free, inciting gluttonous consumption. As our economy continues to recover from the recession, experts foresee a looming shortage in our water supply.

The pending shortage could have profound effects on the real estate industry. Investors and developers will face new risks in some locations while property managers everywhere will need to increase water efficiency to keep costs down. Local authorities are already responding to dwindling supplies by raising prices: in the five-year period from 2003 to 2008, water prices in the United States jumped an average of 30 percent. In some cities, costs have doubled in 10 years. As this trend continues, properties with efficient water management programs will yield greater returns.

Most water used in a building is for restrooms, cooling systems and landscaping. Reducing restroom water can be simple and inexpensive. Installing aerators on sinks and retrofitting pre-1994 toilets and urinals with low-flow or dual-flush kits, will significantly reduce water flow rates.

While cooling towers are an energy-efficient method of cooling, systems must be maintained properly. Engage a treatment specialist to optimize water efficiency, thereby reducing water and chemical costs.

If your suburban office or multifamily property has landscaping, it likely guzzles 40 percent of your total consumption. Irrigate plants more effectively by watering at night and readjusting sprinkler heads regularly so they are not spraying sidewalks or walls. Where appropriate, install drip irrigation to deliver water directly to plant roots.

Surveys have shown that more than 50 percent of landscaping is overwatered. Avoid this by reducing watering times. When replacing landscaping, install local, drought-resistant plants that generally survive on rain rather than foreign species requiring irrigation.

Irrigate with recycled rainwater or greywater systems. Install tanks or build aesthetically pleasing retention ponds to store recycled water. When doing a major build-out or reconstruction, install dual plumbing lines to supply toilets with the salvaged water.

Review your water bills to know how much you are using and what you are paying. Using ENERGY STAR Portfolio Manager is an excellent way to benchmark your water consumption. In many areas, sewage treatment charges far exceed the cost of the water itself. Some properties pay sewer charges for irrigation and cooling tower water that does not even enter the sewer. Many municipalities permit submetering this water to receive credits or deductions; contact your local provider of sewer services for more information.

Lowering water consumption cuts costs, and it’s increasingly critical that we start conserving this valuable, limited resource. We’ve all become addicted to water consumption—now it’s time to dry out.

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