What's the Value of Water?

Facing Aging Infrastructure and Regulatory Challenges

Updated July 2016



The Value of Water and Wastewater Services

A network of hundreds of miles of water and sewer pipe lies beneath our streets. In combination with reservoirs, pumping stations, and water and wastewater treatment facilities, these pipes bring clean water into homes and businesses, and they carry wastewater to the treatment plant to be cleaned and returned to the environment. Having access to these services is vital for public health and safety, environmental protection, economic development, and quality of life.

Today, water utilities are facing two significant challenges. First, much of the underground water and sewer infrastructure has reached the end of its life and is in need of upgrade and replacement in order to continue to provide reliable service. Second, compliance to unfunded regulatory mandates requires a significant investment of time and resources.

"Much of our drinking water infrastructure, the more than one million miles of pipes beneath our streets, is nearing the end of its useful life and approaching the age at which it needs to be replaced."

From American Water Works Association's report, "Buried No Longer: Confronting America's Water Infrastructure Challenge." (Feb 2012)

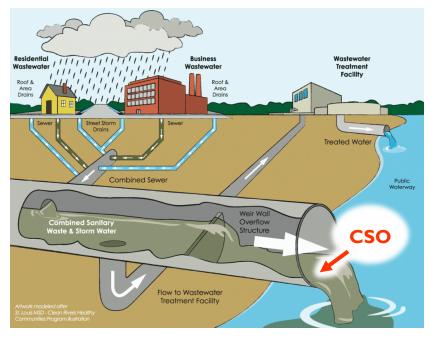
Challenge #1:

An Aging Infrastructure

Parts of the water and sewer infrastructure in the City of Springfield date back to the 1800s. As in many other cities, our infrastructure is aging and in some cases, is in need of repair and replacement. We now face a substantial financial challenge to keep our underground pipes and systems operating safely so that we can preserve the quality of life we enjoy above ground.

Challenge #2: Unfunded Regulatory Mandates

Like many older sewer systems, part of Springfield's wastewater collection system is composed of combined sewers. Combined sewers collect and transport sanitary sewage and stormwater together in one pipe. During heavy rains, the combined sewers can fill up beyond capacity. Discharge points were built into the system so that excess flow empties



into bodies of water rather than backing up into basements and spilling onto roadways. These discharge points are known as combined sewer overflows (CSOs). In 1994, the US Environmental Protection Agency (EPA) mandated that the overflow resulting from CSOs be reduced. Since 2000, the Commission has spent over \$100 million to reduce CSO's in order to comply with this EPA mandate. Work to reduce CSOs will continue for the next 20 years and beyond.

64,240 gallons

The amount of water used by the average American in one year

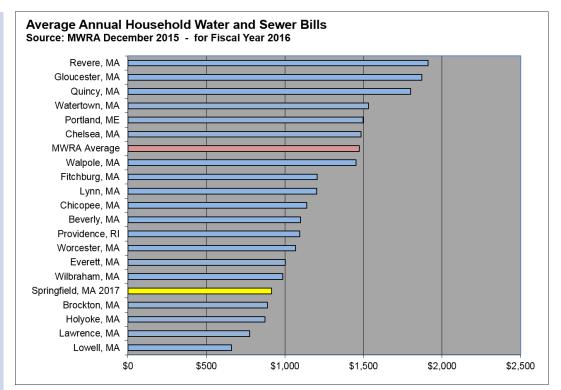
Source: water.org; thevalueofwater.org

Where do we go from here?

It's well proven that planned renewal and replacement is much less costly - and certainly less disruptive to residents and businesses - than emergency repairs. However, more funding is needed to address a significant backlog of necessary improvements and replacements. Many water and wastewater utilities in the US are facing rate increases in order to meet these needs.

You Can Help.

- * Conserve Water
- * Prevent Water Pollution
- * Learn about your water and sewer infrastructure
- * Read and understand your bill
- * Learn how to keep sewers healthy
- * Support efforts to maintain and upgrade infrastructure
- * Speak to your state rep about the need for funding for water and sewer infrastructure improvements
- * Learn how water works for you by visiting TheValueofWater.org

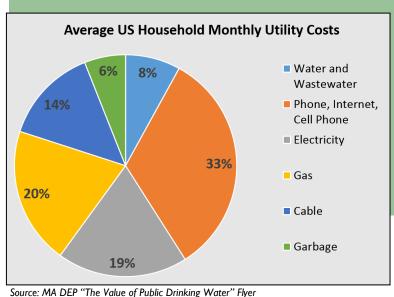


Historically, Springfield's rates have been lower than many other communities in Massachusetts.

The Funding Gap

In February 2012, the Commonwealth of Massachusetts' Water Infrastructure Finance Commission published a report estimating the funding gap for needed water and wastewater investments at \$21.4 billion.

Water - Essential. Reliable. Invaluable.



Springfield Water and Sewer Commission Springfield, Massachusetts

> Customer Service: 413-310-3501 Public Information: 413-452-1302

> > waterandsewer.org

In Springfield, the average combined water and sewer bill is approximately \$79 per month. This is significantly less than most people pay for other household bills on a monthly basis.

We rely on water every single day - to drink, cook with, bathe in, wash our clothes, for fire protection - essentially, to live.

Water is necessary to our survival. So, what is the value of water to you?