

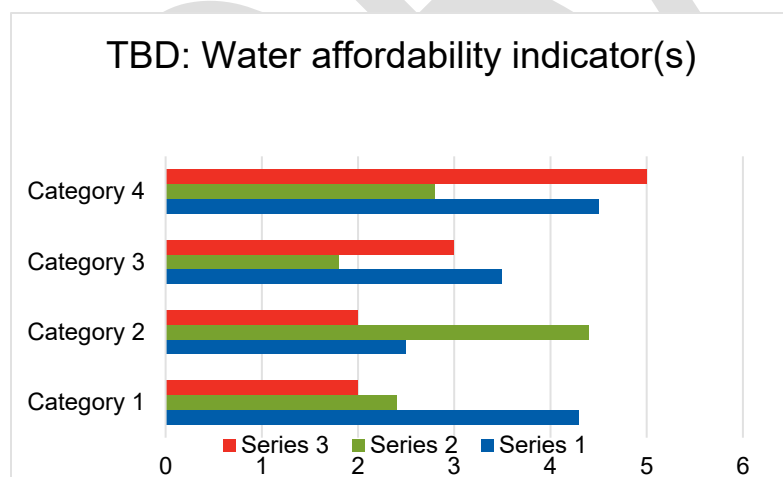
The Cost of Water: Balancing Affordability, Resilience, and Long-Term Sustainability in the Metro Region

Across the Twin Cities metropolitan region, many communities are facing rising water-system costs related to the renewal and replacement of aging infrastructure while also addressing treatment upgrades, climate resilience, cybersecurity, and emerging contaminants. SINCE 2016 THE WATER RATES OVERALL IN THE METRO REGION HAVE RISEN...^{C-1}

Affordable access to safe drinking water is a human right, as well as an equity and public health issue. Safe and reliable drinking water depends on continuous investment in treatment, infrastructure, operations, staffing, and long-term planning. A RECENT ASSESSMENT OF INFRASTRUCTURE IN THE METRO REGION SHOWS...^{C-2}

Water affordability challenges do not affect all communities or households equally. Rate increases and infrastructure costs may create greater burdens for lower-income households, communities facing major treatment costs, or systems with limited financial capacity. % OF HOUSEHOLDS IN... ARE UNABLE TO AFFORD THEIR WATER BILL^{C-1}.

Current funding tools, rate structures, planning approaches, and assistance programs need to support communities to provide safe and affordable drinking water.



Investing in water resources and infrastructure helps Minnesota households and communities thrive.

CURRENT CONTEXT

- Households are struggling to afford essential water services. NUMBERS^{C-1}
- Water infrastructure replacement and treatment costs continue to grow. NUMBERS^{C-1}
- Delayed investment may increase future costs for residents, businesses, and utilities.
- The Federal Low Income Household Water Assistance Program which provided funds to assist low-income households with water and wastewater bills was eliminated.

Opportunities for action:

Support communities facing disproportionate costs

Develop and support programs like the Low-Income Home Energy Assistance Program (LIWHAP), which was recently eliminated. Needs to be established in the state.

Improve long-term financial sustainability

Incentivize coordination among utilities, agencies, and funding programs to support efficient long-term investment.

Ensure affordability and revenue stability and improve affordability planning and transparency

Provide funding for Metro Water Suppliers to conduct cost of service studies to ensure better asset management practices and long-term capital planning to help anticipate infrastructure replacement needs and reduce future costs.

Communities and agencies are beginning to address these challenges and provide examples of the potential:



Saint Paul Regional Water Services runs WaterWorks, a voluntary contribution-funded assistance program administered jointly with Community Action Partnership of Ramsey and Washington Counties, which provides up to \$300 annually off total water and sewer bills, a reduction of about 33% for roughly 1,000 customers per year.



Minnesota is providing funding to public water systems to replace lead service lines through the Drinking Water Revolving Fund, which draws on both state legislative appropriations and federal Infrastructure Investment and Jobs Act money. Notably, private residents can't apply directly — the water system applies and administers the project regardless of who owns the service line — which is what lets cities offer replacement "at no cost" even for the privately-owned portion of the line.

To see the full report: [LINK/QR code to website where full report is posted](#)