

“Rising Water Bills Squeeze Homeowners”

Water bills are surging nationwide as utilities try to fix corroded pipes and overflowing sewer systems, leaving many households struggling to pay and in some cases risking shutoffs and foreclosures. Bills started rising significantly faster than inflation in the mid-2000s as communities stepped up their repairs of aging water and sewer infrastructure. In the past decade, increases have averaged 5.5% a year, more than three times the rate of inflation, according to the Labor Department.

The median household bill for water and sewer service rose to \$77 a month in 2016 from about \$44 in 2006, a 75% increase, according to surveys by the American Water Works Association, a group representing water providers. Business and industrial customers saw similar increases during that time.

In Baltimore, bills have climbed at least 9% a year since 2009 to build underground storage tanks and replace leaky pipes. Baltimore is also one of dozens of municipalities bound by pacts with the Environmental Protection Agency to comply with Clean Water Act rules limiting the amount of sewage discharged into waterways. The city has agreed to a 13 year, \$1.6 billion to \$2 billion sewer upgrade.

C. Rochelle Williams, 37 years old, a mother of four in Baltimore who makes \$50,000 a year as a medical billing specialist, said she can't cover her full bill, which averages around \$120 a month, about six times what she paid when she moved into her house 16 years ago. “I usually try to pay, like, \$50 a month,” she said.

The U.S. needs to spend \$655 billion over the next 20 years to upgrade water and sewer systems, the EPA estimates. Around 240,000 water mains break a year.

For decades, water companies put off making repairs to keep prices low, creating public expectations of cheap water, said Jonathan Cuppett, research manager at the Water Research Foundation, an industry research group. “We're moving towards those days becoming over,” he said.

Most Americans get their water from one of the 52,000 municipal water utilities in the country. Some are government agencies; others are independent, public agencies. About 15% of customers get their water from private operators, according to Manuel Teodoro, political scientist at Texas A&M University.

Sometimes, the same agency provides both water and sewer service. Other times, the responsibilities are split. Most of the typical household water bill reflects the amount of water consumed. The rest covers fixed costs such as meter reading, billing, infrastructure and environmental fees.

Utilities' funding comes almost entirely from their customers, with the U.S. Government providing just about 4% of the total. The Trump administration is February proposed increasing federal spending on infrastructure by \$200 billion, but it is unclear how much of that would go to water and sewer upgrades.

In Kansas City, Mo., officials agreed to complete 121 sewer improvement projects over 25 years, costing \$4.5 billion. Sewer fees are set to rise 13% annually in the coming years.

“To be able to afford those projects, from the department's perspective, we have to have our rates considerably higher for a period of time,” said Terry Leeds, director of the city government's water department.

Customers unable to pay rising bills can see their service shut off. While there are no national data on shutoffs, some utilities say their numbers are rising. Kansas City said it shut off 18,333 accounts last year, up from 15,196 in 2014, and officials expect around 19,000 this year.