

Part II

SOTWI survey participants were asked to rate the importance of a range of challenges on a scale of 1 (unimportant) to 5 (critically important). The top 10 issues for 2015 are shown in Table II-1, ranked by average scores and the percentage of respondents who scored the issue as critically important.

As Table II-1 shows, financial issues related to water system stewardship were rated the most important by utility employees. This includes the need for renewal and replacement of aging water and wastewater infrastructure (#1 issue), financing for capital improvements (#2), public understanding of the value of water systems and services (#4), public understanding of the value of water resources (#5), and cost

recovery (#7). Financial aspects of system stewardship are also embedded, albeit sometimes indirectly, within all of the top 10 industry issues.

Issues of system stewardship continue to be significant because many water and sewer systems built and financed by previous generations are approaching or have exceeded their useful lives. Because previous budgeting approaches may have included inadequate revenues to fully cover costs, some municipal utilities have deferred necessary maintenance. Even those systems that have acted as good stewards by planning for asset renewal or replacement can find it difficult to secure adequate funding for capital projects or to win public support for funding these efforts.

**Table II-1 Issues facing the water industry as ranked by 2015 SOTWI utility respondents**

Rank	Category	Score (1-5)	Critically important	# of Utility respondents
1	Renewal & replacement of aging water and wastewater infrastructure	4.59	64%	913
2	Financing for capital improvements	4.44	56%	921
3	Long-term water supply availability	4.43	58%	911
4	Public understanding of the value of water systems and services	4.36	51%	919
5	Public understanding of the value of water resources	4.28	45%	914
6	Watershed/source water protection	4.21	43%	922
7	Cost recovery (pricing water to accurately reflect its true cost)	4.16	36%	891
8	Emergency preparedness	4.11	35%	914
9	Compliance with current regulations	4.07	35%	896
10	Compliance with future regulations	4.06	35%	893