

AMERICAN VIEWPOINT

HART
RESEARCH
A S S O C I A T E S



Embargoed until 2/24/16

National Survey

January 27-31, 2016

Linda DiVall, President & CEO of American Viewpoint

Geoffrey Garin, President of Hart Research

Methodology

- Value of Water Coalition commissioned American Viewpoint and Hart Research to conduct a National survey of adults measuring their level of concern about water infrastructure and their willingness to pay more on their monthly water bill.
- Interviews were conducted January 27-31, 2016.
- The margin of error for n=1000 is +/- 3.1% at the 95% confidence level. The margin of error among sub-groups is greater.
- Approximately 50% of interviews are with adults who have a cell phone.

GEOGRAPHIC BREAKDOWN

Given the public attention to Flint, MI during the interviewing phase, it is encouraging that the initial pay more paired statement starts on an even playing field. Sentiment to pay more spikes up significantly across the country and particularly in the Midwest (+28) and the South (+30).

Region (PoE)

Initial Pay More: 47% Pay More - 47% High Enough
Informed Pay More: 60% Pay More - 35% High Enough

Midwest / Plains (22%)

47%-47%
61%-33%

East (18%)

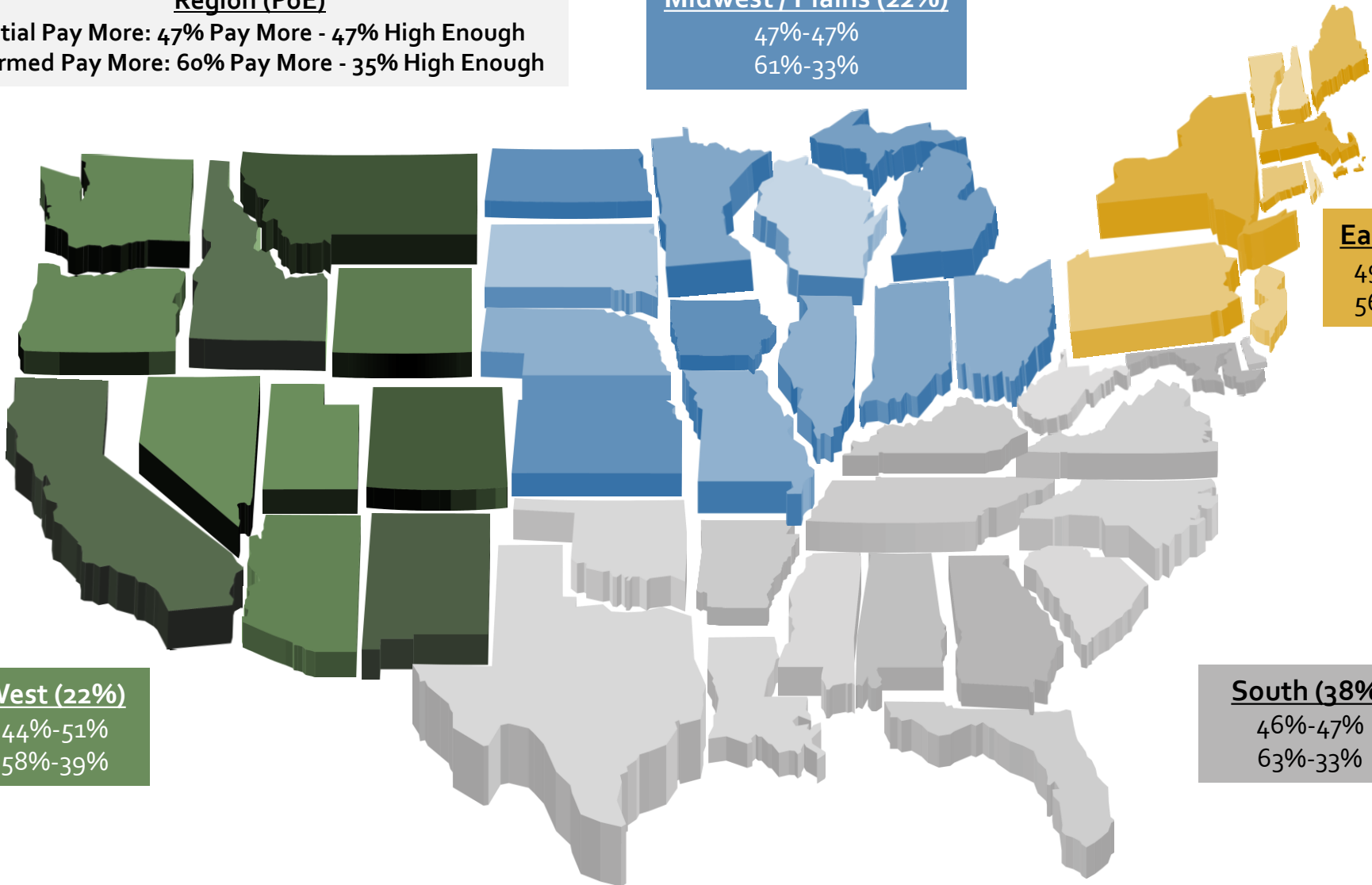
49%-43%
56%-38%

West (22%)

44%-51%
58%-39%

South (38%)

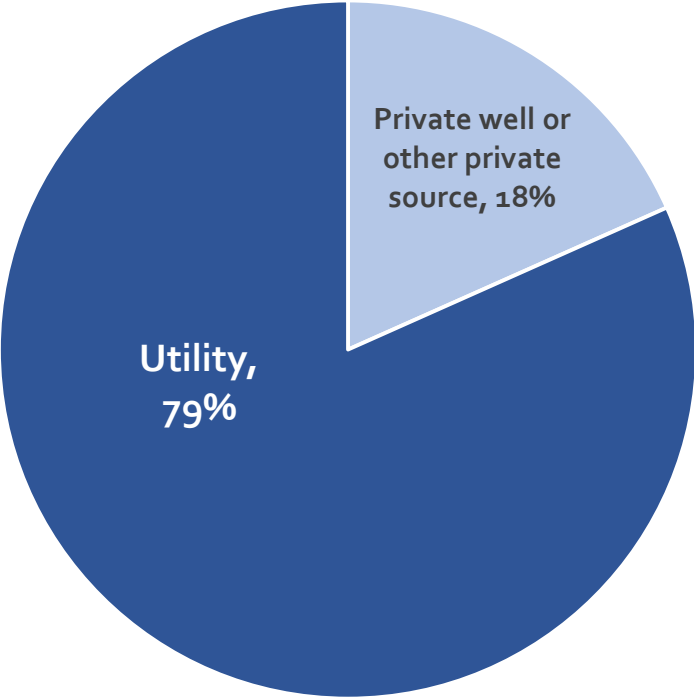
46%-47%
63%-33%



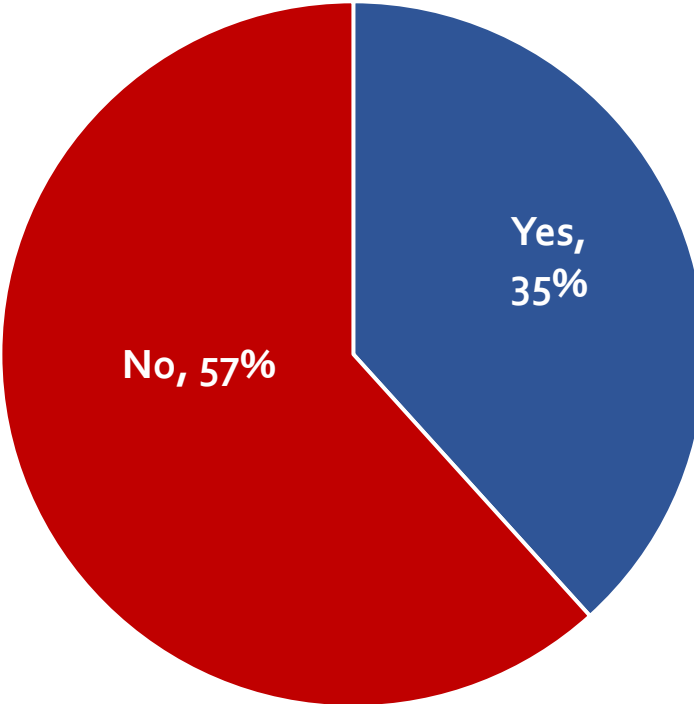
GENERAL WATER AWARENESS

It is startling to discover that 57% simply cannot state their yearly water bill. The varied payment systems across the country – quarterly, yearly, monthly, condo or homeowner’s association make it difficult for consumers to quantify the cost of water.

Water Source



Water Bill Knowledge

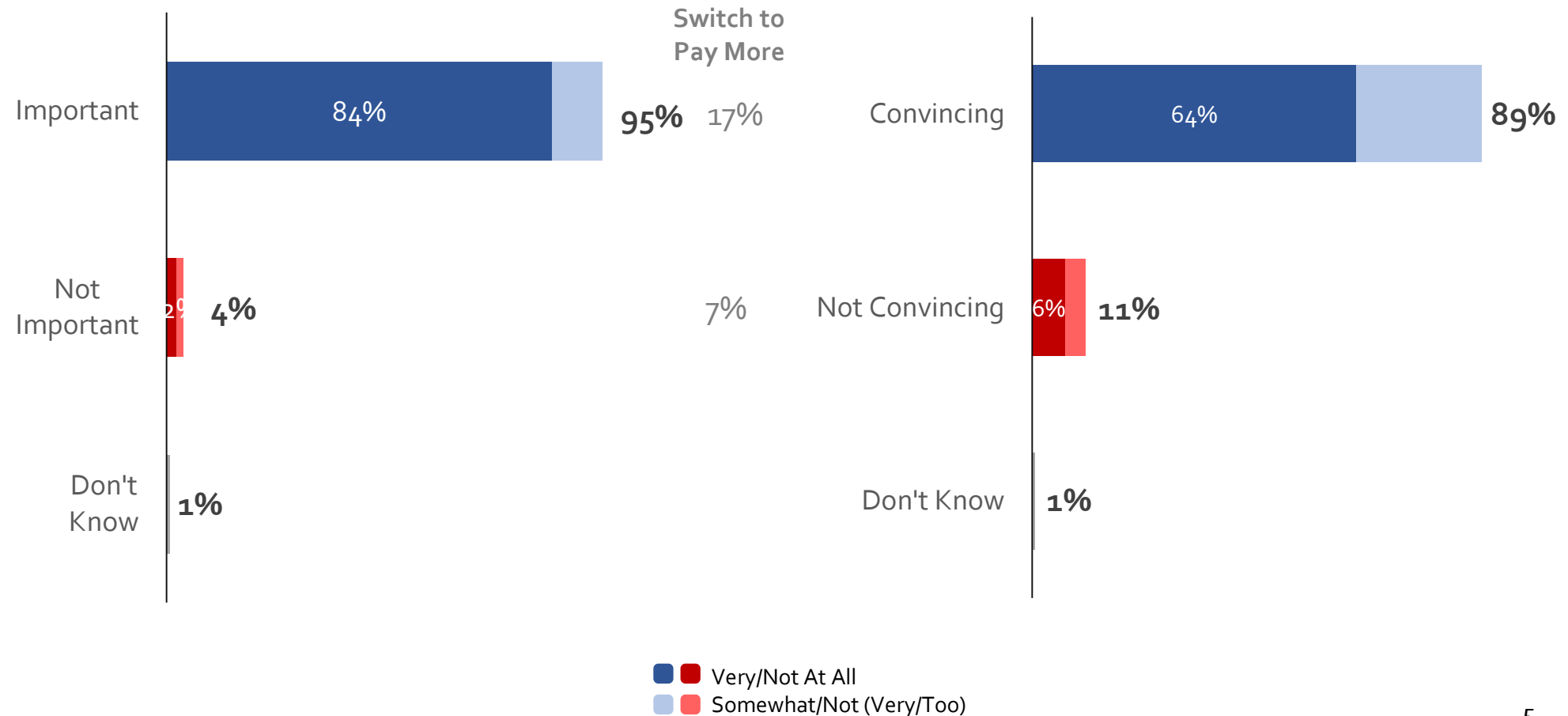


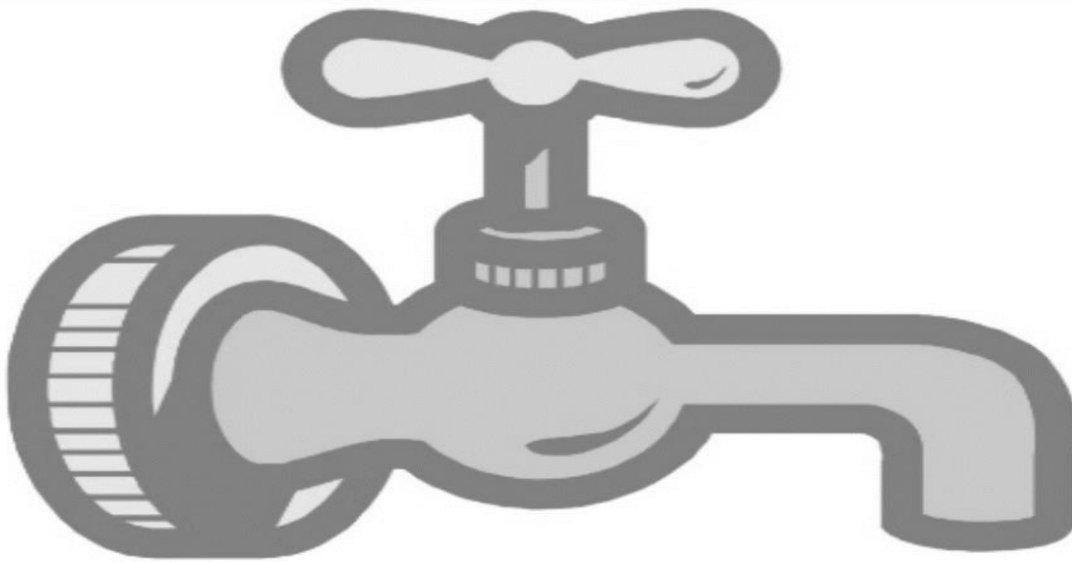
FLINT, MI CRISIS

Focusing on the public health and safety concerns of the Flint, MI water crisis is definitely perceived as important and is a very convincing message in illustrating the need for further investment in our nation's water systems. As more municipalities face challenges with their water system this is likely to continue to percolate as a cause for public investment.

As you may know, there has been an issue with the quality of water in **Flint, Michigan**. How important is it for public officials to make the necessary investments in water systems so no other community experiences what has happened in Flint?

The creation of clean water systems was the most monumental public health achievement of the past century because it helped eliminate deadly diseases. We need to invest in our nation's water systems to avoid modern public health tragedies such as the situation in **Flint, Michigan** where water is not safe to drink and children now have elevated levels of lead.





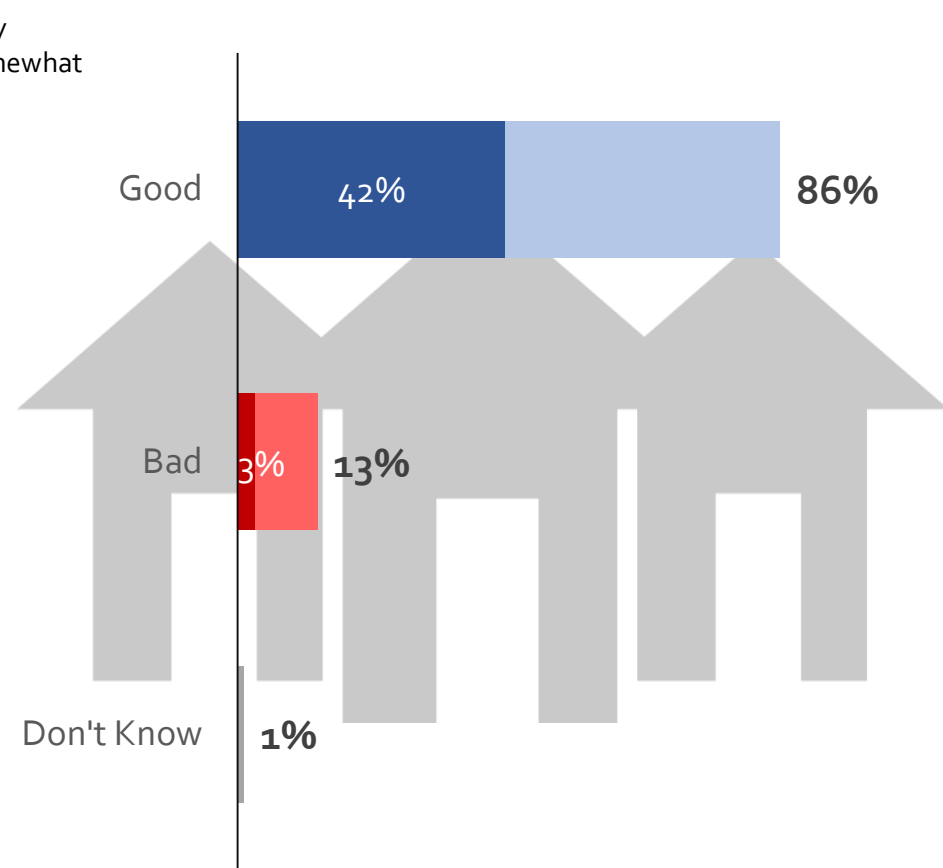
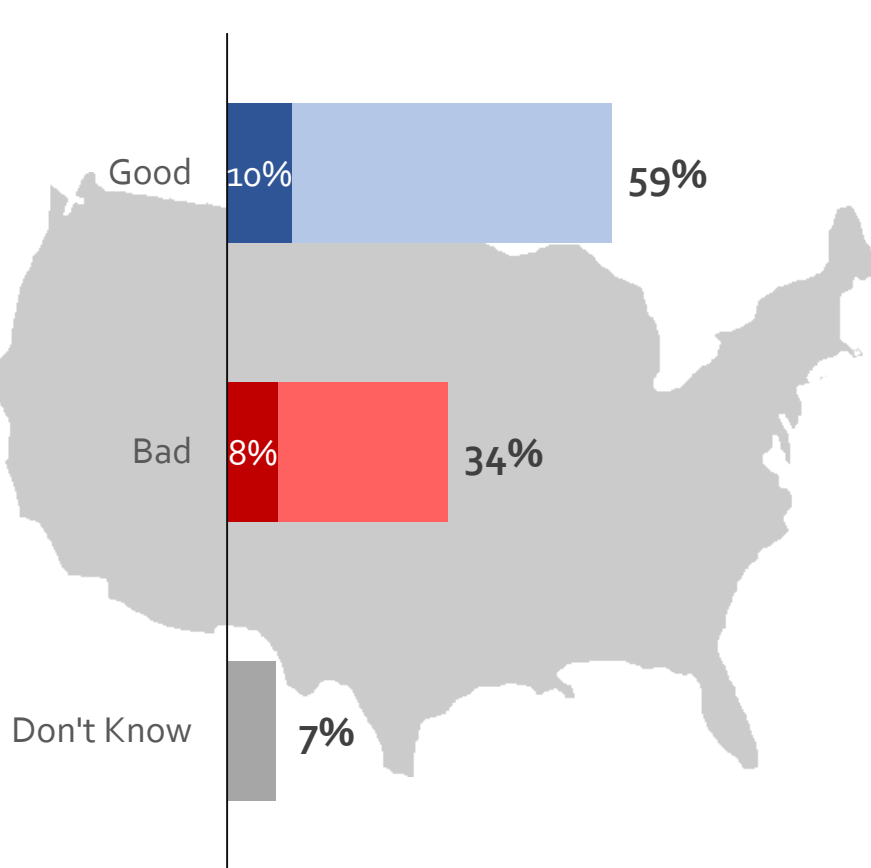
For the rest of this survey, we'll be focusing on America's drinking water, wastewater, and storm water infrastructure. By this we mean the systems that bring water to America's homes, businesses, and farms and take away and clean wastewater and return it to the environment.

CURRENT CONDITION OF WATER INFRASTRUCTURE

Though local community water infrastructure is rated significantly higher (+27) than the nation's water infrastructure, a sizable bloc of 55% rate both the nation's and their local community's infrastructure as good. This strong evaluation of water infrastructure may play a role in driving down a general willingness to pay more on local modernization improvements.

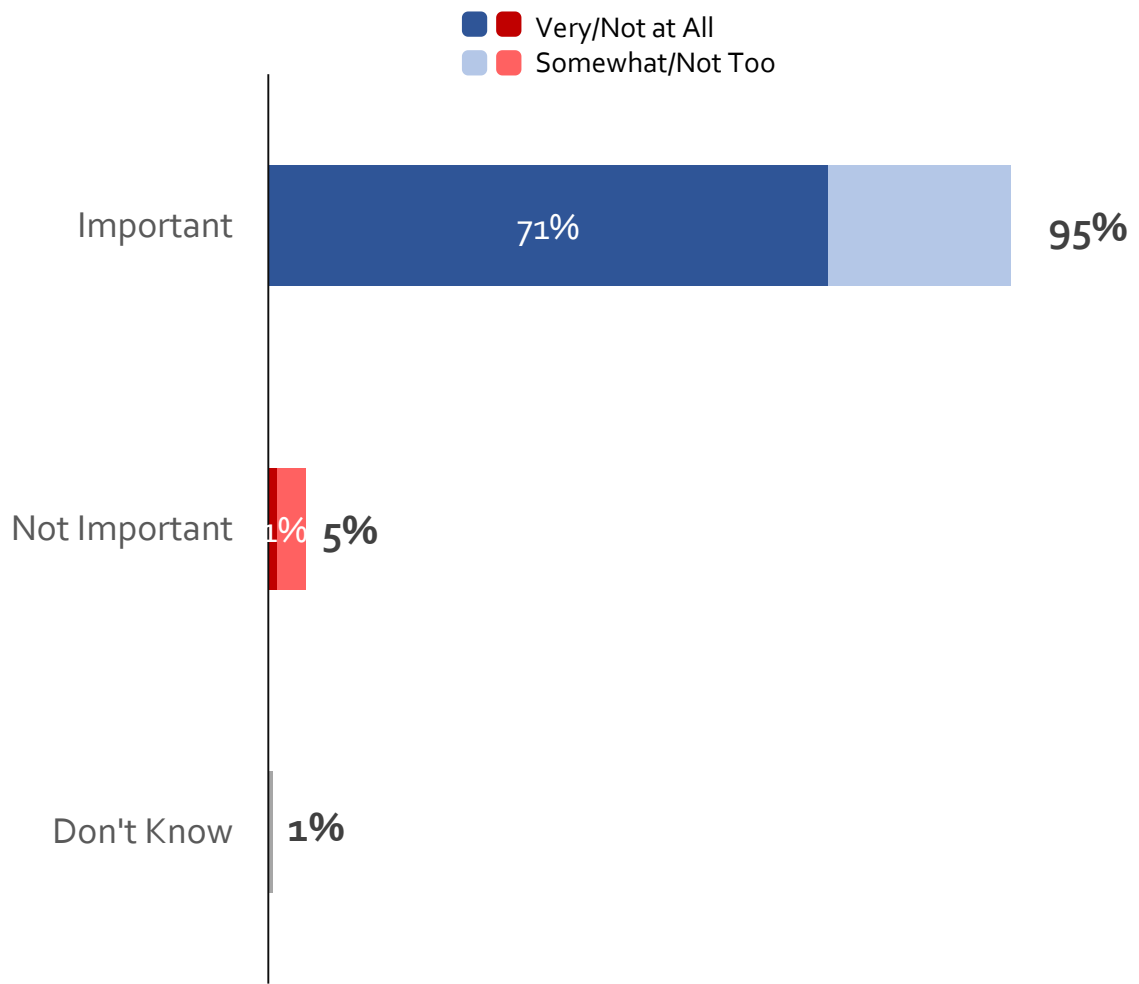
How would you rate the current condition of **the nation's** water infrastructure?

How would you rate the current condition of the water infrastructure in **your local community**?



IMPORTANCE FOR WATER INFRASTRUCTURE TO BE MODERNIZED

The good news lies in the finding that once respondents are queried as to their assessment of the nation's and local water infrastructure and even though only 55% rate both as good, a striking 71% deem it very important to improve and modernize the water infrastructure system. As before, the same coalition emerges: women, African Americans, lower income respondents, non-college educated and urban dwellers.

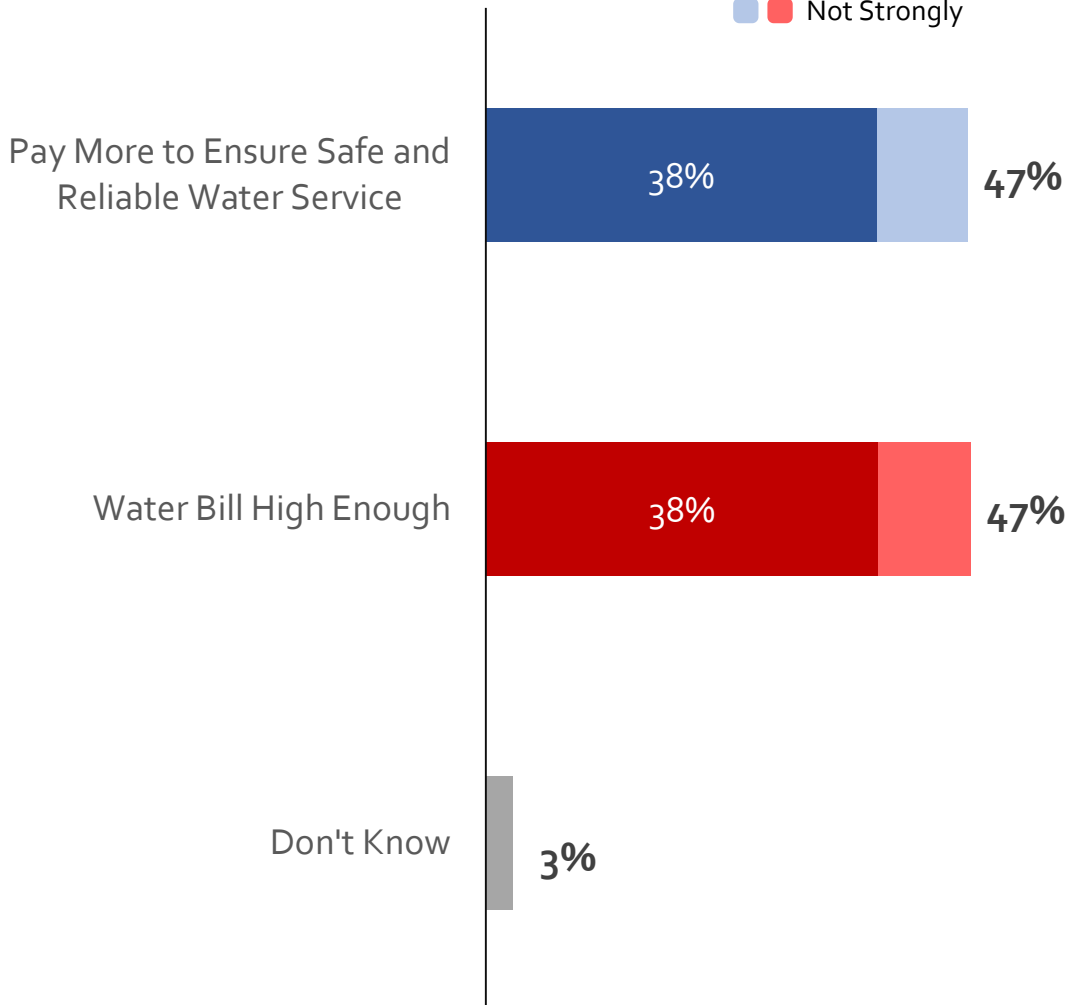


	Very	Somewhat	Not Too/At All
Men 18-39	64%	26%	8%
Men 40-59	57%	35%	8%
Men 60+	68%	23%	8%
Women 18-39	86%	14%	1%
Women 40-59	72%	24%	3%
Women 60+	82%	16%	1%
White	64%	30%	5%
Black	92%	6%	2%
Hispanic	87%	12%	1%
Republican	62%	29%	8%
Independent	68%	25%	5%
Democrat	81%	17%	1%
H.S. Or Less	76%	20%	4%
V-Tech/Some Coll.	72%	24%	3%
College Grad.	68%	25%	6%
Post Graduate	65%	26%	7%
Under \$40K	80%	16%	3%
\$40K To \$75K	74%	22%	3%
Over \$75K	57%	33%	8%
Urban	82%	15%	3%
Suburban	67%	28%	3%
Medium/Small Town	71%	22%	6%
Rural	64%	29%	6%

INITIAL PAY MORE ON WATER BILL

Initially, respondents are almost entirely split on their willingness to pay a higher bill, regardless of whether they know the cost of their bill. Notably, younger adults (of both genders) express a much higher willingness, as do those with more education and higher incomes.

■ Strongly
■ Not Strongly



	Strong Pay More	Pay More	Bill High Enough	Strong High Enough
Men 18-39	39%	51%	44%	29%
Men 40-59	31%	39%	52%	40%
Men 60+	33%	39%	56%	49%
Women 18-39	45%	60%	35%	28%
Women 40-59	44%	49%	46%	40%
Women 60+	37%	44%	45%	39%
White	40%	49%	44%	35%
Black	35%	41%	54%	46%
Hispanic	40%	52%	44%	34%
Republican	36%	46%	48%	37%
Independent	38%	47%	45%	35%
Democrat	39%	46%	48%	40%
H.S. Or Less	36%	43%	50%	41%
V-Tech/Some Coll.	36%	45%	48%	42%
College Grad.	40%	49%	44%	33%
Post Graduate	42%	54%	42%	29%
Under \$40K	37%	44%	50%	42%
\$40K To \$75K	45%	53%	41%	33%
Over \$75K	39%	50%	46%	34%
Urban	38%	48%	48%	39%
Suburban	37%	49%	45%	34%
Medium/Small Town	43%	51%	46%	39%
Rural	30%	37%	48%	36%
Know Water Bill Costs	39%	48%	48%	40%
Don't Know Water Bill	36%	46%	48%	37%

I'm now going to read you two statements and please tell me which statement comes closest to your own view.

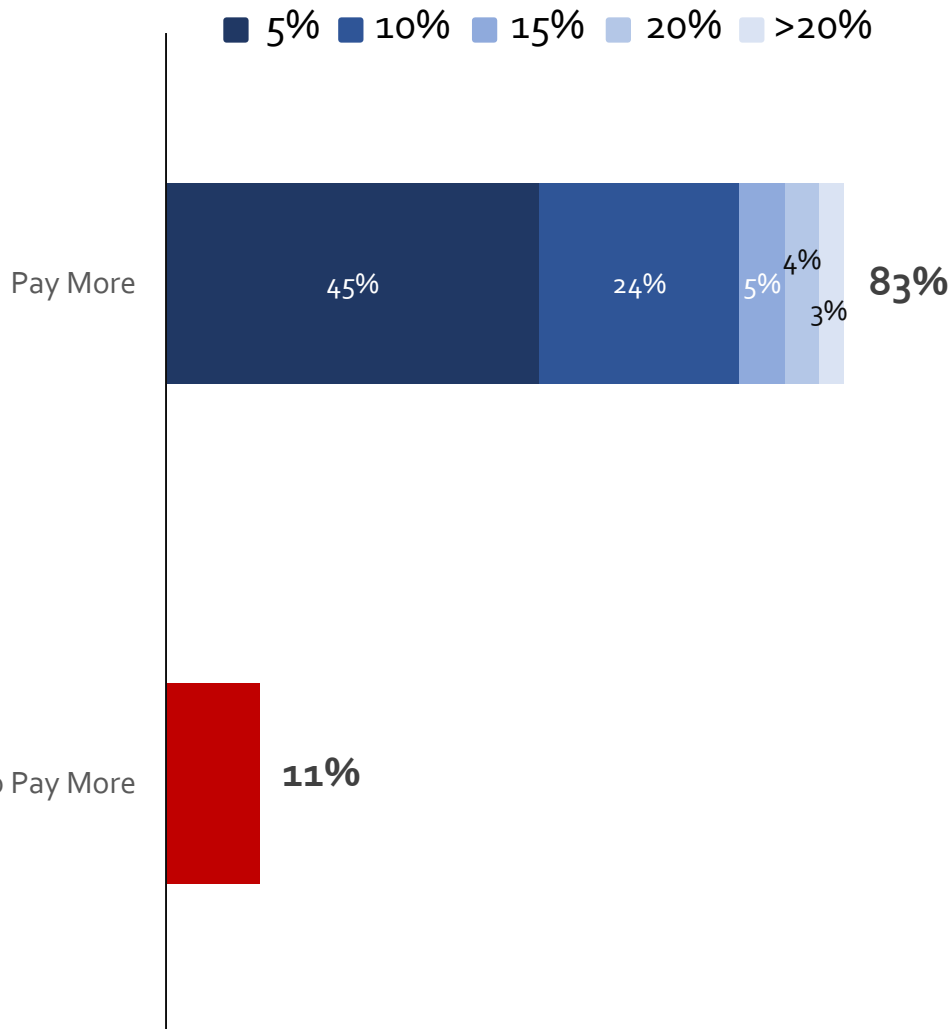
I would be willing to pay a higher water bill to improve and modernize the water systems in my local community in order to ensure safe and reliable water and wastewater service.

OR

My water bill is high enough and I would not be willing to pay more to improve and modernize the water systems in my local community.

INITIAL MONTHLY % INCREASE THRESHOLD

When encouraged to consider tangible percentage increases in their water bill, opinions are much more encouraging. An overwhelming majority would be willing to consider an increase of at least 5%, with a quarter of respondents even willing to pay a 10% increase. Somewhat curious is the pattern of groups willing to pay over 10%: Younger adults, minorities, and those with lower incomes.



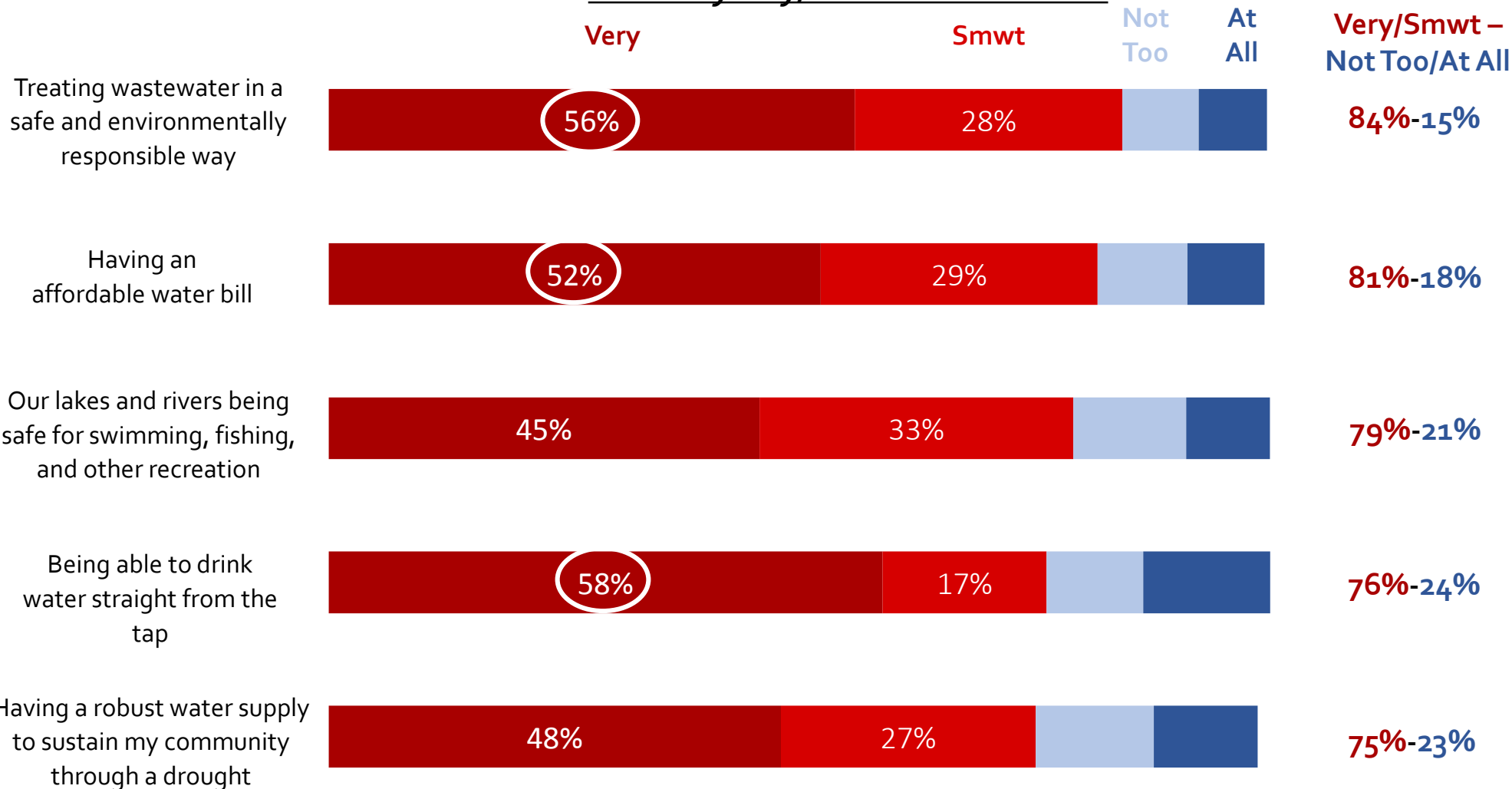
	5%	10%	Over 10%	None
Men 18-39	49%	27%	17%	5%
Men 40-59	48%	19%	9%	19%
Men 60+	42%	22%	9%	21%
Women 18-39	44%	32%	21%	1%
Women 40-59	52%	19%	13%	12%
Women 60+	40%	29%	10%	8%
White	46%	23%	11%	12%
Black	52%	24%	15%	4%
Hispanic	37%	35%	19%	7%
Republican	48%	25%	8%	14%
Independent	45%	22%	14%	11%
Democrat	45%	30%	14%	7%
H.S. Or Less	49%	24%	12%	9%
V-Tech/Some Coll.	47%	28%	13%	7%
College Grad.	43%	21%	15%	15%
Post Graduate	44%	25%	10%	15%
Under \$40K	46%	24%	19%	6%
\$40K To \$75K	47%	31%	9%	11%
Over \$75K	46%	23%	11%	14%
Urban	44%	26%	16%	11%
Suburban	42%	28%	12%	11%
Medium/Small Town	48%	23%	13%	11%
Rural	49%	21%	9%	12%

The average household spends 8% of their monthly utility costs on water, wastewater, and storm water services, compared to 47% on phone, internet, and cable. Given this, what percent more would you be willing to pay to improve and modernize the water systems in your community?

LEVEL OF CONCERN ABOUT ASPECTS OF WATER INFRASTRUCTURE

While all the statements tested elicited high levels of general concern, a majority of respondents expressed the most intense concern for wastewater treatment, bill affordability, and household accessibility.

Ranked by Very/Somewhat Concerned



How concerned, if at all, are you about each of the following aspects of the water infrastructure in your local community: VERY concerned, SOMEWHAT concerned, NOT TOO concerned, or NOT AT ALL concerned?

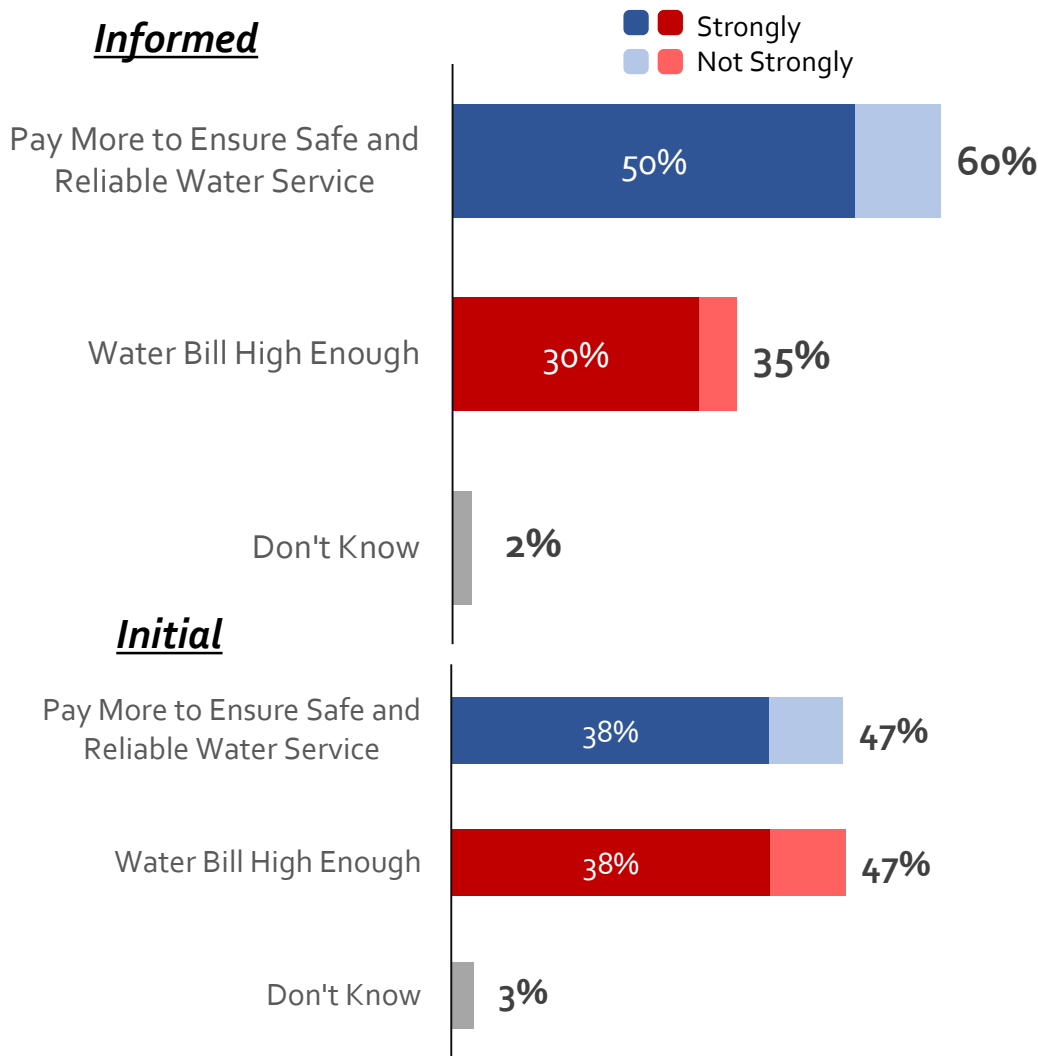
SUPPORTING MESSAGES – Ranked by Very Convincing

Respondents were given a series of messages about the importance of water and the need to invest in our water systems. Across the county, three primary themes emerged for the majority of Americans.

	Total	East	Midwest / Plains	South	West
		18%	22%	38%	22%
1	We are all dependent on a strong and reliable water infrastructure 64%	We are all dependent on a strong and reliable water infrastructure 71%	We are all dependent on a strong and reliable water infrastructure 61%	We need to avoid public health tragedies 68%	We are all dependent on a strong and reliable water infrastructure 59%
2	We need to avoid public health tragedies 64%	We need to avoid public health tragedies 69%	We need to avoid public health tragedies 59%	We are all dependent on a strong and reliable water infrastructure 66%	We need to avoid public health tragedies 58%
3	Water infrastructure is aging 53%	Water infrastructure is aging 62%	We owe it to our children to maintain and update the investment in water infrastructure 49%	Water infrastructure is aging 57%	Water infrastructure is aging 46%
4	We owe it to our children to maintain and update the investment in water infrastructure 50%	Without water, our economy would grind to a halt 58%	Water infrastructure is aging 47%	We owe it to our children to maintain and update the investment in water infrastructure 53%	Without water, our economy would grind to a halt 42%
5	Without water, our economy would grind to a halt 48%	We owe it to our children to maintain and update the investment in water infrastructure 58%	Without water, our economy would grind to a halt 44%	Without water, our economy would grind to a halt 50%	We owe it to our children to maintain and update the investment in water infrastructure 41%
6	Water utilities are investing in new innovation and technology 41%	More extreme weather events are stressing our water infrastructure 47%	Major metropolitan areas and agricultural communities are at risk of water scarcity 39%	Water utilities are investing in new innovation and technology 44%	Water utilities are investing in new innovation and technology 39%
7	Major metropolitan areas and agricultural communities are at risk of water scarcity 41%	Major metropolitan areas and agricultural communities are at risk of water scarcity 45%	Water utilities are investing in new innovation and technology 37%	Major metropolitan areas and agricultural communities are at risk of water scarcity 43%	Major metropolitan areas and agricultural communities are at risk of water scarcity 37%
8	More extreme weather events are stressing our water infrastructure 38%	Water utilities are investing in new innovation and technology 44%	More extreme weather events are stressing our water infrastructure 36%	More extreme weather events are stressing our water infrastructure 37%	More extreme weather events are stressing our water infrastructure 34%

INFORMED PAY MORE ON WATER BILL

After delivering additional information, there is an obvious shift in the general willingness to pay a higher water bill, to include a majority who are very willing. This shift is evident among all subgroups, but the overall initial patterns, particularly of age and education, largely remain.



	Initial		Informed	
	Pay More	Bill High Enough	Pay More	Bill High Enough
Men 18-39	51%	44%	61%	34%
Men 40-59	39%	52%	54%	39%
Men 60+	39%	56%	52%	45%
Women 18-39	60%	35%	77%	22%
Women 40-59	49%	46%	61%	36%
Women 60+	44%	45%	60%	33%
White	49%	44%	61%	34%
Black	41%	54%	60%	37%
Hispanic	52%	44%	67%	30%
Republican	46%	48%	58%	39%
Independent	47%	45%	61%	33%
Democrat	46%	48%	63%	34%
H.S. Or Less	43%	50%	57%	38%
V-Tech/Some Coll.	45%	48%	58%	37%
College Grad.	49%	44%	65%	30%
Post Graduate	54%	42%	62%	34%
Under \$40K	44%	50%	61%	36%
\$40K To \$75K	53%	41%	68%	27%
Over \$75K	50%	46%	59%	37%
Urban	48%	48%	65%	34%
Suburban	49%	45%	66%	30%
Medium/Small Town	51%	46%	60%	37%
Rural	37%	48%	49%	38%
Know Water Bill Costs	48%	48%	60%	37%
Don't Know Water Bill	46%	48%	62%	34%

Now knowing what you do, which statement comes closest to your own view.

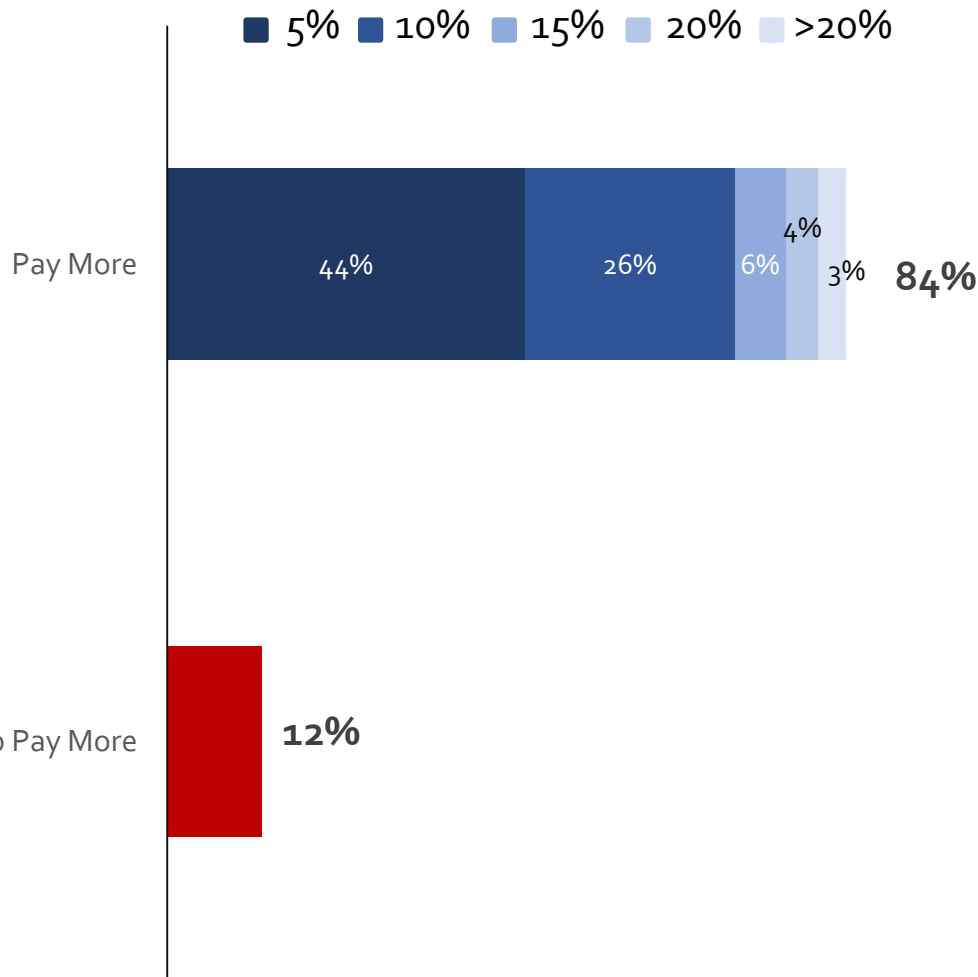
I would be willing to pay a higher water bill to improve and modernize the water systems in my local community in order to ensure safe and reliable water and wastewater service.

OR

My water bill is high enough and I would not be willing to pay more to improve and modernize the water systems in my local community.

INFORMED MONTHLY % INCREASE THRESHOLD

When pressed for a specific percentage increase of their water bill, respondents did not move from the initial ask. While this might seem counterintuitive, remember that even before messages were delivered, 83% of adults interviewed agreed they would pay at least 5% more to improve and modernize the water systems in their community.



	5%	10%	Over 10%	None
Men 18-39	45%	30%	17%	6%
Men 40-59	44%	22%	10%	17%
Men 60+	44%	26%	4%	21%
Women 18-39	42%	30%	26%	1%
Women 40-59	47%	23%	15%	11%
Women 60+	42%	26%	12%	11%
White	44%	26%	11%	13%
Black	49%	23%	20%	4%
Hispanic	37%	36%	19%	6%
Republican	44%	30%	7%	15%
Independent	45%	23%	15%	12%
Democrat	44%	30%	17%	6%
H.S. Or Less	47%	26%	14%	10%
V-Tech/Some Coll.	44%	29%	12%	8%
College Grad.	42%	25%	17%	14%
Post Graduate	45%	23%	11%	16%
Under \$40K	46%	25%	18%	6%
\$40K To \$75K	41%	36%	11%	10%
Over \$75K	46%	23%	13%	14%
Urban	42%	25%	18%	11%
Suburban	42%	29%	14%	13%
Medium/Small Town	47%	27%	12%	11%
Rural	47%	21%	11%	12%

Now knowing what you do about the status of our water system, what percent more would you be willing to pay to improve and modernize the water systems in your community?

CONCLUSIONS & RECOMMENDATIONS

- 1. Americans overwhelmingly think water infrastructure should be improved and modernized.** Even though a majority of Americans thought their local water infrastructure was in good shape, a whopping 95 percent that it was important or very important that the infrastructure be improved and modernized. 71 percent thought that was VERY important.
- 2. Americans are willing to pay more for safe, reliable water service.** Initially, respondents were evenly divided in their willingness to pay more to improve and modernize the water service: 47% were willing to pay more, 47% felt that water bills were high enough. Most adults who were willing to pay more for water service were comfortable with an increase of at least 5% to improve water infrastructure.
- 3. Once respondents are educated about those water issues, they are increasingly willing to pay more for water service:** 60% are willing to pay more, 35% felt that bills are high enough. A swing of 13% is significant movement. Respondents were most concerned about clean drinking water, safe and environmentally responsible wastewater treatment, and water affordability. They were also persuaded by information on our collective dependence on water, the need to protect public health (Flint), and that water systems need to be improved for the next generation.
- 4. A coalition of the concerned emerged in the poll.** An interesting coalition—women, African-Americans, Hispanics, non-college educated, lower income, and urban respondents—felt it was very important to improve and modernize the water infrastructure system. These groups show the most significant movement towards paying more after being informed of water issues.

Contact Information

For more information, please feel free to contact:

Linda DiVall, CEO and President

American Viewpoint

1199 N. Fairfax St, Suite 808

Alexandria, VA 22314

(703) 684-3325

divall@amview.com

Geoffrey Garin, President

Hart Research

1724 Connecticut Avenue NW

Washington, D.C. 20009

(202) 234-5570

ggarin@hartresearch.com