



**TRUTH FROM
THE TAP**

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A campaign of the National Association of Water Companies

GET THE FACTS ON WATER SYSTEM CONTRACT OPERATIONS

Water companies provide expertise and infrastructure investment to local governments that need help operating and investing in their community water and wastewater systems. While local governments have dozens of competing priorities, providing exceptional water service is the sole focus of water companies.

Water companies have a proven record of investing in infrastructure and delivering high quality water, yet activists still make false and misleading claims against local government engagements with the private sector for the professional operation of their community water and wastewater systems.

ACTIVIST CLAIM: Local governments are often dissatisfied when they work with a water company.

THE TRUTH: Data shows 97% of private water contracts with local governments are renewed each year, illustrating a high rate of satisfaction with water company performance.

ACTIVIST CLAIM: Water companies operate without accountability.

THE TRUTH: Local governments dictate terms of the engagement and performance metrics that must be met in contracts. They maintain powerful leverage through their ability to fire or penalize an underperforming water company contractor. Furthermore, under contract engagements with local governments, water companies take on responsibility for meeting state and federal water quality standards and are held responsible for any penalties resulting from noncompliance.

ACTIVIST CLAIM: Water companies charge more for water service.

THE TRUTH: Under contract operations agreements, water companies do not have the authority to set or raise the water rates charged to customers. Under these agreements, water rates are always set by local government authorities and reflect the full operating costs of a water system plus the infrastructure investments needed to provide high quality water to customers.

ACTIVIST CLAIM: Water companies produce savings by cutting staff.

THE TRUTH: Despite repeatedly making this claim, activists cannot point to any real-world examples of this actually happening. In reality, contracts with local governments include protections for workers like employment guarantees for current staff and collective bargaining agreements. Furthermore, water companies have stronger workplace safety records and provide more opportunities for professional advancement compared to water systems under local control.

ACTIVIST CLAIM: Water quality suffers when working with a water company.

THE TRUTH: Water companies have a superior record of delivering high quality drinking water. Multiple studies have shown that systems run by water companies are significantly less likely to violate federal drinking water standards than water systems run by local governments.