

FINANCING & OPERATING THE WATER SYSTEM

HOW MUCH WILL IT COST ME AND
WHO WILL DO IT

AGENDA

- TOWN MEETING ARTICLE
- PROJECTED COST
- BONDING/PHASING SCHEDULE
- MEDIAN HOUSE AND TAX IMPACT
- OPERATIONS
- COSTS/SAVINGS
- IS PROJECT ASSISTANCE AVAILABLE?

ARTICLE 7

- To see if the Town will vote to establish a town-wide water supply and water distributing system pursuant to Section 39A of Chapter 40 of the General Laws; and
- to appropriate the sum of **\$114,800,000** for establishing such a system for the Town, including, without limitation, the taking or purchase of water sources or water or flowage rights, the taking or purchase of land or easements for the water system or for the protection of the water system, the construction and development of wells, the construction of water towers, the construction of buildings for water treatment and pumping stations, the laying and relaying of water mains, the purchase and installation of water meters, fire hydrants and other water department equipment, and design and engineering and other costs incidental thereto, and including without limitation all costs thereof as defined in Section 1 of Chapter 29C of the General Laws; and
- that to meet this appropriation the Treasurer with the approval of the Board of Selectmen is authorized to borrow \$114,800,000 and issue bonds or notes therefore under Chapter 44 of the General Laws and/or Chapter 29C of the General Laws; and provided however, that of this appropriation, **\$38,000,000** shall be contingent upon the passage of a debt exclusion under Massachusetts General laws Chapter 59, Section 21C (proposition 2 ½ so-called.); and
- that the Treasurer with the approval of the Board of Selectmen is authorized to borrow all or a portion of such amount from the Massachusetts Water Pollution Abatement Trust established pursuant to Chapter 29C and in connection therewith to enter into a loan agreement and/or security agreement with the Trust and otherwise to contract with the Trust and the Department of Environmental Protection with respect to such loan and for any federal or state aid available for the project or for the financing thereof; and

ARTICLE 7 (CON' T)

- that the Board of Selectmen is authorized to enter into a project regulatory agreement with the Department of Environmental Protection, to expend all funds available for the project and to take any other action necessary to carry out the project;
- provided further that, pursuant to General Laws Chapter 40, section 39A, the Board of Selectmen is hereby authorized to act as water commissioners and to exercise all of the powers of water commissioners pursuant to General Laws chapter 41, section 69B; and
- provided further that the Town hereby accepts the provisions of General Laws Chapter 40, sections 42A through 42K and Chapter 80, Section 13B to authorize the collection of water rates and to permit the deferral of payment of water use charges by certain homeowner/occupants; and
- provided further, to authorize the Selectmen to petition the General Court to enact legislation as may be needed to permit the Town to, assess privilege fees, establish a water enterprise fund and such other duties as are normally assigned to Water Commissioners, and further provided that the General Court may make any clerical or editorial changes of form only to the bill submitted by the Selectmen, and such other amendments to the bill submitted, as the Selectmen may approve before enactment by the General Court, and to authorize the Selectmen to approve amendments which shall be within the scope of the general public objectives of this petition; or take any action relative thereto.
 - By Board of Selectmen

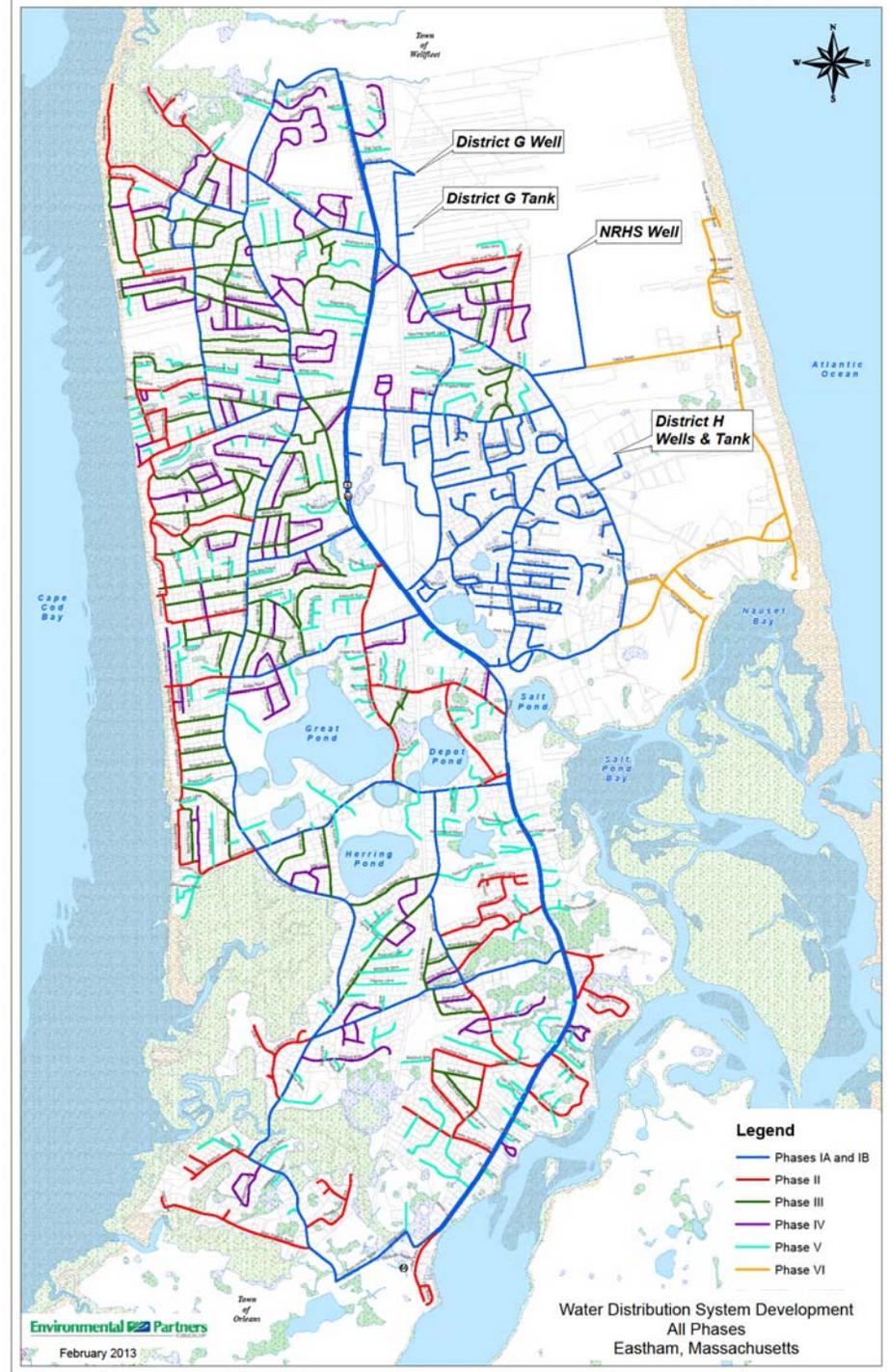
TOWN WIDE SYSTEM COST

- \$114,800,000 M

BOND TERM 20 YEARS

Town-Wide Water System

Six phases of construction



TAX IMPACT

- ANNUAL TAX IMPACT PER THOUSAND \$ ASSESSED VALUE PER YEAR VARIES
 - AVERAGE ANNUAL \$1.54
 - PER THOUSAND \$ ASSESSED VALUE

TAX IMPACT MEDIAN HOUSE 400K

- TOTAL TAX IMPACT (29 YEARS) \$17,875
- AVERAGE ANNUAL TAX IMPACT \$616
- AVERAGE MONTHLY TAX IMPACT \$52

ESTIMATED 400K MEDIAN HOUSE TAX IMPACT

TOTAL AVERAGE
\$17,875

ANNUAL AVERAGE
\$616

MONTHLY AVERAGE
\$51

FY	DEBT PAY DUE	PER THOUSAND	MEDIAN 400K HSE
2016	\$ 2,856,000	\$0.99	\$396.98
2017	\$ 2,815,200	\$0.97	\$387.43
2018	\$ 4,169,400	\$1.42	\$568.12
2019	\$ 4,113,100	\$1.39	\$554.90
2020	\$ 5,449,800	\$1.82	\$727.96
2021	\$ 5,373,600	\$1.78	\$710.67
2022	\$ 6,438,400	\$2.11	\$843.06
2023	\$ 6,345,900	\$2.06	\$822.72
2024	\$ 7,527,400	\$2.42	\$966.24
2025	\$ 7,416,700	\$2.36	\$942.60
2026	\$ 7,593,000	\$2.39	\$955.45
2027	\$ 7,478,200	\$2.33	\$931.69
2028	\$ 7,363,400	\$2.27	\$908.31
2029	\$ 7,248,600	\$2.21	\$885.29
2030	\$ 7,133,800	\$2.16	\$862.65
2031	\$ 7,019,000	\$2.10	\$840.36
2032	\$ 6,904,200	\$2.05	\$818.43
2033	\$ 6,789,400	\$1.99	\$796.85
2034	\$ 6,674,600	\$1.94	\$775.62
2035	\$ 6,559,800	\$1.89	\$754.74
2036	\$ 4,405,000	\$1.25	\$501.80
2037	\$ 4,331,000	\$1.22	\$488.48
2038	\$ 3,172,000	\$0.89	\$354.22
2039	\$ 3,113,500	\$0.86	\$344.25
2040	\$ 2,060,000	\$0.56	\$225.51
2041	\$ 2,021,400	\$0.55	\$219.09
2042	\$ 1,167,800	\$0.31	\$125.32
2043	\$ 1,145,500	\$0.30	\$121.71
2044	\$ 213,200	\$0.06	\$22.43
2045	\$ 209,100	\$0.05	\$21.78

TAX IMPACT HOUSE 300K

- TOTAL TAX IMPACT (29 YEARS) \$13,406
- AVERAGE ANNUAL TAX IMPACT \$462
- AVERAGE MONTHLY TAX IMPACT \$39

TAX IMPACT HOUSE 500K

- TOTAL TAX IMPACT (29 YEARS) \$22,343
- AVERAGE ANNUAL TAX IMPACT \$770
- AVERAGE MONTHLY TAX IMPACT \$64

TAX IMPACT CALCULATOR

- ONLINE CALCULATOR AVAILABLE
APRIL 1



SYSTEM OPERATIONS

- **WHO/HOW/COST**
 - **PRIVATE SYSTEM OPERATOR**
 - ON CONTRACT WHO WILL REPAIR, MAINTAIN, BILL, AND COLLECT FEES
 - **HOW CHOSEN**
 - COMPETITIVE BID PROCESS AS REQUIRED BY STATE LAW
 - **COST TO TOWN**
 - ESTIMATED BASED ON PROJECTED NUMBER OF USERS AT BUILD OUT 2026 – 1 MILLION ANNUALLY

POTENTIAL SAVINGS & BENEFITS

- WATER AVAILABLE DURING POWER OUTAGES
- ELIMINATION OF IN HOUSE TREATMENT SYSTEMS
 - BALANCED PH FOR LONGER PIPE LIFE
 - NO IRON BACTERIA/STAINS
- ELIMINATION OF PRIVATE WELL MAINTENANCE/OPERATION EXPENSE

POTENTIAL SAVINGS & BENEFITS

AVERAGE POTENTIAL INSURANCE SAVINGS BASED ON SPECIFICS OF CARRIER AND COVERAGE

- "tax deductible for itemizers--precise savings depends on your marginal tax bracket. Under current law it ranges from 10% to 39.6%"

POTENTIAL SAVINGS & BENEFITS

- HIGHEST WATER QUALITY STANDARD THRU MANDATED PUBLIC WATER SUPPLY TESTING
- PRESERVATION AND STABILIZATION OF PROPERTY VALUES

OTHERS COSTS

- AVERAGE WATER BILL (RES) \$250
- HOME HOOK FROM STREET TO RES \$12-\$16/PER FOOT FOR TRENCHED INSTALLATION
- IN HOUSE CONNECTION COSTS WILL VARY BASED ON COMPLEXITY (EST SIMPLE \$250)

IS PROJECT ASSISTANCE
AVAILABLE?

- GRANTS/LOW OR REDUCED INTEREST LOANS
 - UNITED STATES DEPARTMENT OF AGRICULTURE
CLEAN WATER REVOLVING LOAN/GRANT (USDA)
 - STATE REVOLVING LOAN FUND (SRF)
 - ENVIRONMENTAL PROTECTION AGENCY (EPA)
TECHNICAL ASSISTANCE

TAXPAYER ASSISTANCE

- EXEMPTIONS
- DEFERRALS
- PAYMENT ASSISTANCE

EXEMPTIONS

- STATE STATUTE SETS MAXIMUM AMOUNTS FOR CERTAIN ELIGIBLE TAXPAYERS



ELIGIBLE TAXPAYERS:

- SERVICE CONNECTED DISABILITY
- BLIND
- AGE 65 WITH INCOME FROM ALL SOURCES LESS THAN \$40,000

DEFERRALS

- STATE STATUTE ALLOWS FOR DEFERRAL OF TAX
- (CLAUSE 41A)
- ELIGIBILITY REQ:
 - AGE 65
 - INCOME (LESS THAN \$40,000 FOR TWO) UNDER CIRCUMSTANCES (CLAUSE 41A)

TAXPAYER ASSISTANCE

- NO KNOWN PROGRAMS FOR ALL AGE RANGES FOR TAX PAYMENT ASSISTANCE.