



Middle Fort Pond Sewer District West Acton Sewer Continuation Project Information for Existing Sewer Users

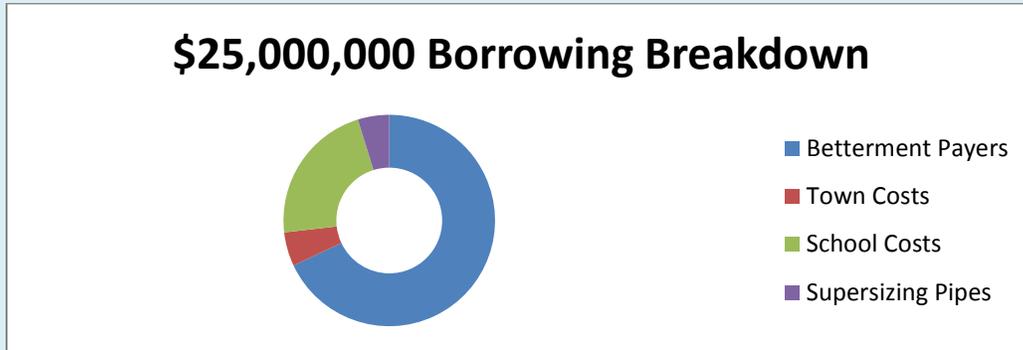
Q. Are my sewer payments going towards the West Acton project?

No. Existing sewer users make two payments to the sewer enterprise:

- 1) “Betterment” payments (i.e sewer assessment) which are a portion of the construction cost to build the existing sewer system and
- 2) A monthly sewer use fee (once the home connects to the sewer system) based on the monthly sewer flow from the property

The Town borrowed about \$25 million to build the original sewer system and approximately \$17 million of those construction costs were borne by the sewer users. Each property in the original sewer area was assessed a “betterment” which was a portion of that \$17 million.

The users pay monthly fees that are used for operating the sewer system. Approximately \$850,000 in fees are collected and used for the costs of ongoing operations such as treating the wastewater, operating the treatment plant and managing the sewer enterprise. The total cost for operating the system is split among the sewer users based on their prior winter water usage. No user fees are being used for West Acton; those fees are required to operate the system.

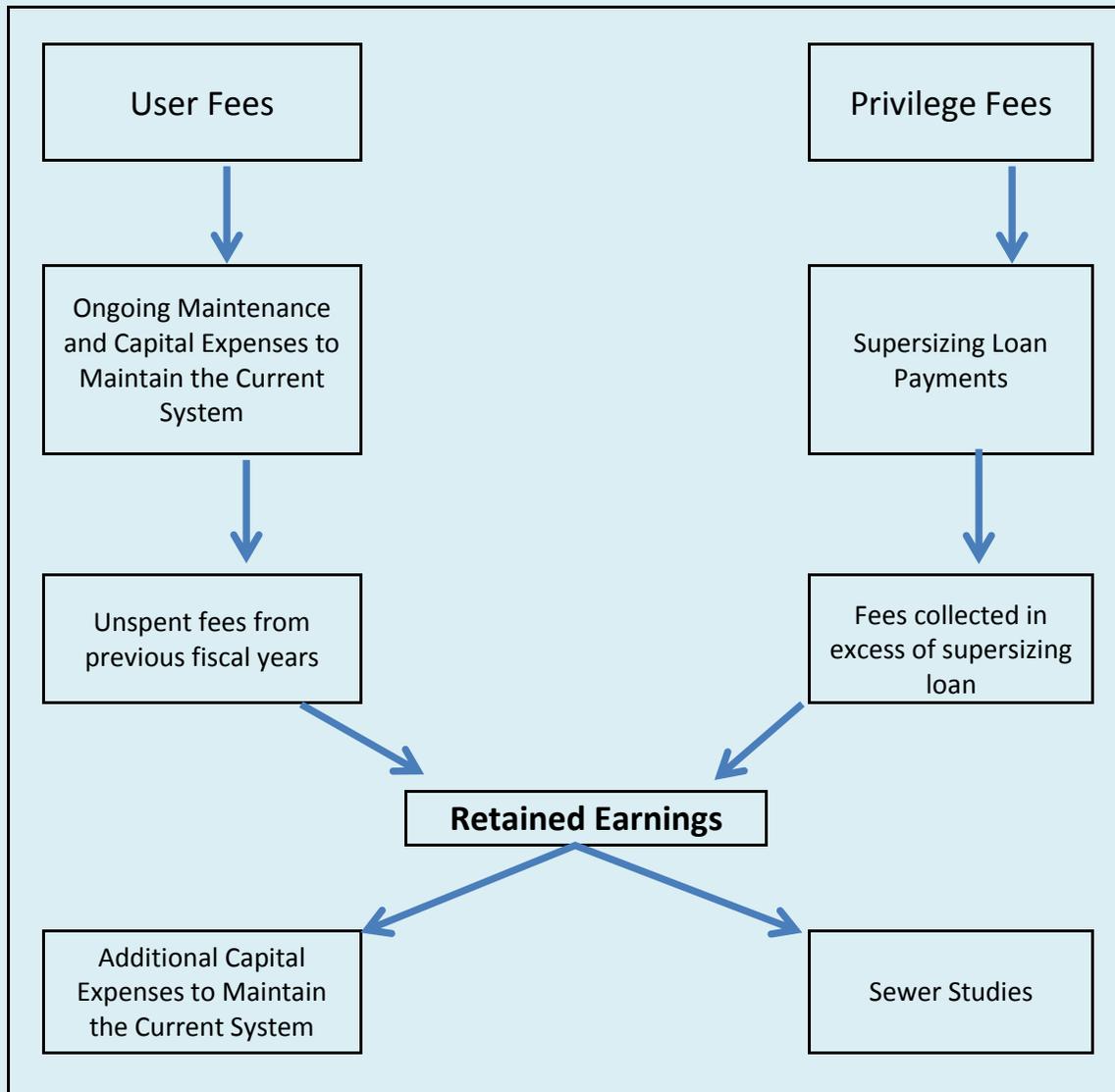


Q. Who is paying for the West Acton project?

Ultimately the new users in West Acton will pay for the project if it moves forward. A portion of the total construction costs will be borne by the new sewer users in the same manner that the existing users were charged. The method for assessing sewer betterments is determined by the Acton Sewer Assessment Bylaw (General Bylaw Section D.10)

Q. Who paid for the West Acton preliminary design if there are no current users in West Acton?

The sewer enterprise’s “retained earnings” account will be used to fund the study. Retained Earnings are funds made up from two sources:



Q. What other studies were paid for from retained earnings? How else are retained earnings used? Do I benefit?

One example: Town Meeting authorized \$190,000 in 2018 to fund a comprehensive plant evaluation of the treatment facility. The purpose of the evaluation is to provide an assessment of the treatment plant’s condition and develop a long-term capital plan for the plant and collection system. Existing and future users benefit by having a long-term plan developed which will minimize funding unanticipated capital replacements through special assessments.

Q. What are privilege fees? Who pays for them and how do I benefit?

The Acton Sewer Bylaw allows the Selectmen to assess privilege fees to property owners for:

- 1) new construction within the existing sewer district or
- 2) new use of the property that exceeds the original sewer assessment or
- 3) A property outside of the existing sewer district who petition to be included in the district.

The fee is calculated per the [Acton Sewer Bylaw](#).

Every sewer user (privilege fee payers and original users) benefits equally by paying the same amount to enter the district, regardless of when they joined, and through subsidized user fees.

Q. Are the privilege fee payers taking up capacity in the system paid for by the existing users?

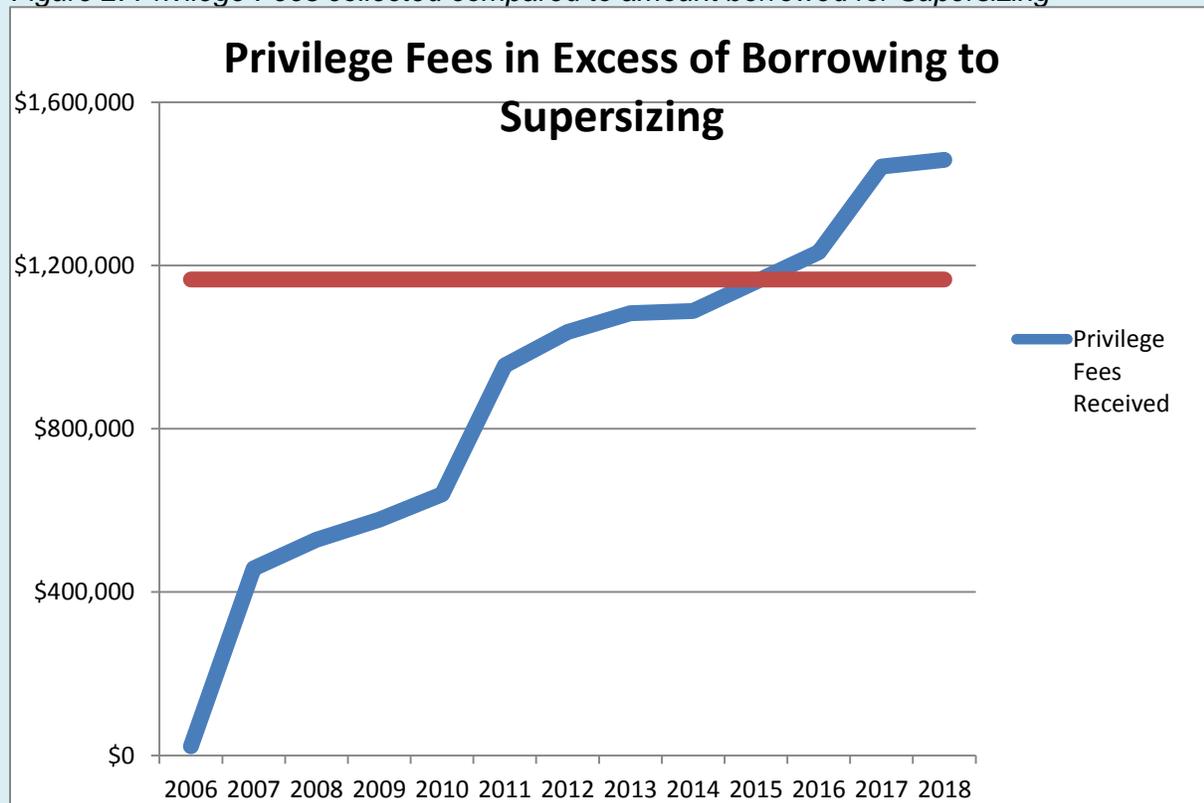
No. The Town made an investment in the sewer system for additional capacity than what was needed for existing users in South Acton and Kelley’s Corner. This was done to:

- 1) plan for future areas that could connect such as Powdermill Plaza, West Acton and the Spencer-Tuttle-Flint areas as identified by the CWRMP (a requirement of MassDEP)
- 2) anticipate changes of use within the existing sewer area
- 3) save money in the future

The Town invested approximately \$1.2 million to “supersize” the system to plan for future users. Had the Town supersized the system at a later time, it would have cost approximately \$10 million to replace existing infrastructure to accommodate more capacity.

\$1.2 million of the total \$25 million construction cost was borne by the Town. The Town collected privilege fees and used those fees for the supersizing debt. That debt has been paid and fees collected are additional retained earnings for the sewer enterprise fund.

Figure 2: Privilege Fees collected compared to amount borrowed for Supersizing



Q. Why use retained earnings for West Acton?

Using retained earnings to study issues that benefit the sewer enterprise and subsidize capital improvements is an appropriate use of these funds. Using these funds for sewer related projects keeps the burden off sewer users and off of the general tax base. They are an investment for existing and future sewer users in the same way Town Meeting invested in current sewer users by purchasing the Adams Street property in 1966.

Q. How would continuing sewers to West Acton affect existing sewer users?

There would be no changes to the existing users' betterment payment. There are no costs associated with the West Acton project that would be specifically borne by existing users.

As with the original sewer project, there would be costs associated with West Acton that would be borne by the general tax base if the project moves forward.

Q. Are there any benefits to existing sewer users if West Acton gets sewer?

Potentially. The existing sewer users may see their monthly sewer use rate stabilize. Some of the costs of operating the sewer enterprise are fixed. With more users connected to the system, there is an economy of scale by spreading fixed costs over a larger group of users.

This may not appear to current users as a reduction in their monthly sewer use fee however the rate may increase at a slower rate over time with additional users.

Q. What other reasons are there for supporting sewer in West Acton?

- 1) Goal of Acton 2020 Master Plan & 2006 Comprehensive Water Management Plan
- 2) Sewers are vital for Economic Sustainability

"..sewer is exactly the critical piece of infrastructure West Acton needs to sustain the expanding village economy. It will support the walkable and lively town center that the residents of our community say they want" - Mathias Rosenfeld, West Acton Villageworks Owner

- 3) Sewers may provide a wastewater option for new school building