

HOUSE No. 4543

By Mr. Eldridge of Acton, petition of James B. Eldridge (by vote of the town) that the town of Lunenburg be authorized to impose assessments for water and sewer betterments. Municipalities and Regional Government. [Local Approval Received.]

The Commonwealth of Massachusetts

In the Year Two Thousand and Eight.

AN ACT RELATIVE TO AN INTERMUNICIPAL AGREEMENT AND BETTERMENT ASSESSMENTS IN THE TOWN OF LUNENBURG.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 SECTION 1. Authorizes the Town to levy assessments for the
2 drinking water portion of the project. Public drinking water is sup-
3 plied by a water district, not by the Town of Lunenburg. As there is
4 no Lunenburg Water Department or Lunenburg Water Commis-
5 sioners there is correspondingly no authority for the Town to levy
6 assessments for the construction of a water supply system. Although
7 the district has the authority to levy assessments pursuant to
8 G.L.c.40, Section 42K, it is the Town that is assuming full responsi-
9 bility for the costs of design, engineering, construction, and installa-
10 tion of the facilities. The Town and the water district have agreed
11 that in lieu of payment by the water district the Town will levy the
12 assessments for the costs of the project, including the drinking water
13 portion.

14 Sewer and Water systems are long-lived infrastructure, usually
15 financed over the longest term available. Amortization of the loan
16 principal over a longer term reduces the annual principal installment
17 and longer terms would decrease the annualized cost to the system's
18 user. USDA Rural Development water and sewer programs allow
19 financing of 40 years, which allows cities and towns to take advan-
20 tage of the longer loan terms. But Massachusetts law only permits
21 assessments to be apportioned over a 20-year period. See email from
22 Dan Beaudette, USDA.

1 SECTION 2. Authorizes the assessments for the water infrastruc-
2 ture to be apportioned over a 40-year period instead of the 20-year
3 period set out in G.L.c.80, §13.

1 SECTION 3. Allows the assessments relating to the sewer portion
2 of the project to be paid over a 40-year period.

1 SECTION 4. Authorizes the Town and the Lunenburg Water Dis-
2 trict of Lunenburg to enter into an Inter-Municipal Agreement for a
3 term of years that minimally covers the term of the 40-year better-
4 ment assessment. G.L.c.40, §4A only permits IMAs for a term of
5 25-years.