



DATE: March 16, 2023

### **Information Relative to the Solicitation to Sell the Town's Water and Wastewater Assets**

**The Town of Ware has announces, after carefully considering the present and future state of operations, quality and necessary capital investment needed to support and provide, a safe and reliable water and sewer services to the residents of Ware , the Town is moving forward with soliciting to sell the Town's Water and Wastewater assets. The required capital investments to address the Iron & Manganese quality issues that have plagued the Town's potable water system are extensive and have been well documented. The Town's wastewater system has been issued a more stringent National Pollutant Discharge Elimination System (NPDES) permit as of February 2023; requiring a significant amount of capital investment necessary to comply with discharge (effluent) limits into the Ware River. By way of the published Tighe & Bond rate study (Nov. 2021), the required improvements will have a significant impact on the rates the Town will be required to charge to meet new debt obligations to fund the improvements and subsequent operational expenses. The Town doesn't have the financial capacity or possess the engineering/technical expertise internally to complete the required improvements, nor can it do so unilaterally at a cost-effective price. Alternatively, the Town has issued a Request for Proposal (RFP) to sell the assets to a reputable utility presently regulated by the Massachusetts Department of Public Utilities (DPU) to consider. Subject to a successful vote at Town Meeting, the Town is expecting a considerable benefit for the Town and its residents. It is expected Ware residents will receive a greater level of service at a more reasonable price than the Town could provide on its own.**

**Process:** Massachusetts General Law Chapter 30B governs the process for the transfer of municipally owned assets . The required process includes the solicitation of an RFP for respondents to bid upon. The Town is also required to obtain an appraisal of the real property assets to ensure a fair value price is obtained in the transaction. If a proposal received by the Town is found advantageous, then the Selectbord will then create the warrant for the proposed transaction to be voted on at a Special Town Meeting to be held later in the summer. Pending an affirmative Town vote, the acquiring utility and the Town will negotiate an Asset Purchase Agreement while working together to file a joint application for the approval of the transaction by the Department of Public Utilities (DPU). Lastly, after obtaining an affirmative Order from the DPU the parties will close on the transaction within 30 days. Once completed, the functions and risk the Town presently maintains will become the responsibility of the acquiring utility.

**Next Steps:** All responses to the issued RFP are due on May 18, 2023. The Town will then consider each response and the Selectboard will make their recommendation. If favorable the sale of assets and operation will be placed on a warrant for consideration by a Special Town Meeting. The Town will obtain and make public the results of the required appraisal. Simultaneously, additional information will be provided by the selected utility relative to frequently asked questions and a public information session hosted by the selected utility to share information and provide answers to any questions Ware residents may have ahead of the Annual Town Meeting. The Town is committed to a transparent and informative process while this immensely important decision is considered and acted upon.