

Housatonic Water Works – Policy Position Statement

Housatonic's Water, Housatonic's Choice

Support for Town Acquisition at Fair Market Value

The owners and leadership of Housatonic Water Works (HWW) fully support the Town's potential acquisition of our company. If voters approve the citizens' petition article, we are prepared to work collaboratively with the Town to negotiate a fair market price for HWW's assets. Our goal is to ensure a smooth, equitable transfer that benefits the entire community.

After proudly serving Housatonic since 1897, we recognize that transitioning to public ownership of the water system is not only logical—it's the most sustainable and equitable path forward to meet both current and future water infrastructure needs. We are committed to doing our part to ensure a successful transition.

We believe this transition represents a sustainable, community-centered path forward that will:

- Ensure long-term investment in critical infrastructure
- Provide access to state and federal funding opportunities not available to private utilities
- Promote transparency, local accountability, and rate stability

This shift makes more sense now than ever before. Over the past few decades, there has been growing recognition that the cost of complying with federal and state safe drinking water regulations—many of which date back more than 30 years—is substantial. In response, significant state and federal funding is available for water projects, with the majority directed toward publicly owned systems. While HWW has successfully secured some grant funding over the years, those awards have been modest and insufficient to cover large-scale infrastructure projects.

Unlike private utilities, which must rely on traditional commercial loans, public entities can access these subsidized funding sources and low-interest loans through state revolving funds and federal infrastructure programs. They currently borrow at rates between 2% and 2.5%, while HWW's most recent private financing proposal carried an interest rate exceeding 6%. That's a significant gap—one that makes it far more difficult for a small private utility to fund critical improvements. With public ownership, we could accomplish two to three times as much infrastructure work for the same cost.

In short, public ownership opens the door to tools and funding options that are simply unavailable to private companies. It provides long-term financial stability, ensures vital infrastructure improvements can be made affordably, and keeps the focus on public health, environmental stewardship, and community priorities.

Why We Support This Move

The answer is simple: it will unlock resources and structural advantages that a small private utility like HWW cannot access. We've always taken pride in serving the community, and we recognize the complexity of modern water funding needs. By transitioning to public ownership, we can open the door to greater investment, more funding options, and long-term resilience for Housatonic's water system.

An Independent Housatonic Water District—Not a Town Department

It's important to clarify that, while the Town would facilitate the acquisition, the intent is not to turn HWW into a Town department. We support the creation of an **independent Housatonic Water District (HWD)** to own and operate the system following the acquisition. This district would function much like the Great Barrington Fire District, which currently provides water service in other parts of town.

The HWD would be governed by its own board of commissioners—community members dedicated solely to overseeing Housatonic's water system. This model provides the benefits of public ownership while preserving local control and focused oversight. It ensures that water system revenues stay within the district and are reinvested directly into water infrastructure and operations, not diverted to other municipal needs.

Creating HWD as a standalone entity also opens the door to future collaboration or even potential consolidation with the Fire District, which could bring additional economies of scale and efficiencies.

A Longstanding Vision: 1923 Water District Legislation

In **1923**, the Massachusetts Legislature passed special legislation authorizing the formation of a **Housatonic Water District** (OPEN ACT). This legislation was designed to give the residents of Housatonic direct, local control over their water system through a dedicated public entity. Although the district was never formally established at the time, the legislation model remains a valid legal framework for the community to consider

Key Benefits of an Independent HWD

By voting **YES** to authorize the Town to acquire HWW and establish the Housatonic Water District, we can achieve several significant benefits:

• Avoiding Steep Rate Hikes:

As a private utility, HWW would need to raise customer rates by nearly 90% over the next several years to fund necessary upgrades. As a nonprofit public district, HWD could access lower-cost funding and spread out expenses more efficiently—helping to avoid dramatic increases and keep rates stable and affordable.

• Access to Grants and Low-Interest Loans:

A public water district can pursue millions of dollars in state and federal grants and lowinterest loans that are not available to private companies. These funds could be used for system improvements, such as pipe replacement, treatment upgrades, and tank repairs, which would significantly reduce the financial burden on customers.

• Local Control and Accountability:

An independent HWD would be governed by and for the people of Housatonic. Its sole mission would be to deliver safe, reliable water service. Decisions would be made by a local board of residents who are directly accountable to the community. At the same time, the district would remain separate from Town departments, maintaining its own budget and priorities.

Together, these benefits represent a brighter, more stable future for our water. With HWD, we can address long-standing infrastructure needs, improve water quality and reliability, and protect affordability—all under local leadership.

Join Us in Securing Housatonic's Water Future – Vote YES on April 17

We encourage all Housatonic residents and Great Barrington voters to attend the **Special Town Meeting on April 17, 2025**, and **vote YES** on the citizens' petition article to acquire Housatonic Water Works. A two-thirds majority vote is required, and every vote counts.

This is a community-driven solution. Together, we can establish a locally run water district that ensures quality service, sustainable funding, and a stronger future for Housatonic. At HWW, we are fully committed to this path and will work closely with the Town to ensure a smooth and successful transition.

Let's move forward together.