



**TOWN OF MAYNARD**  
**Department of Public Works**  
**MUNICIPAL BUILDING**  
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*Justin DeMarco*  
*Director of Public Works*

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*Administration Cemetery & Parks Facilities Highway Water & Sewer WWTF*

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**Memorandum**

To: Select Board (Water & Sewer Commissioners)  
From: Justin DeMarco, Director of Public Works  
CC: Greg Johnson, Town Administrator  
Date: February 26, 2026  
Subject: Water & Sewer Utility Rates Adjustments for Fiscal Year 2027 (FY27)

Recommended Action:

Motion to approve the water and sewer utility use rates for Fiscal Year 2027 (FY27) as listed in exhibit 1, (water), and exhibit 1A, (sewer) effective July 1, 2026.

Motion to approve the use of \$100,000.00 from water enterprise reserve funds in fiscal year 2027 (FY27) to continue the proposed water filtration rebate program as presented as a pilot program on March 4<sup>th</sup>, 2025.

\*Note: Water and Sewer use is read and billed at the end of each quarter. Fourth quarter use from April – June 2026 will be billed at adjusted rate in exhibit 1 & 1a, effective July 1st, 2026.

Purpose:

As of the past eight months our utilities have been experiencing stability, and in some cases decreased pricing markets for goods and services utilized during our daily operations. Price stability combined with less aggressive water regulations, such as the environmental protection agencies extension of the PFAS minimum containment level decrease projected to take effect in 2029, which is now projected to be imposed in 2031. These less aggressive factors have allowed our utilities to realign with stable rate strategies and financial policies that we implemented over six years ago. We are still experiencing ever increasing electrical delivery rate charges that have a major impact on our operational budget. Electricity costs are broken into two categories, distribution, and power purchase (commodity). The town has hedged electricity increases through a power purchase agreement for the electric commodity, thus reducing how large the impact would translate to the operational budget. Though we are seeing less aggressive regulatory timelines, we are still impacted by those regulatory changes. It will continue to be difficult for our utility to stay in compliance with these ever-evolving statutory changes from both Federal and State agencies.

National surveys have been conducted and published by Bluefield Research focused on water utilities over the past five years with an emphasis on financial rate impacts on the consumer market. Bluefields findings indicated that the northeast region of the country has experienced the highest year over year and total rate increase cresting 25% on average for the five-year cycle. Due to our continued commitment and adherence to our financial policies, models, and forecasting, Maynards utility has endured a trend below average. We have been able

to stabilize our rates for the past few years, while contending with continued volatile economic markets. We are pleased to present a combined water and sewer user rate increase request of 7% to the board.

Proper long term financial planning in conjunction with precise capital improvement planning strategically addressing our aging and degrading conditions within our water & sewer utility infrastructure has allowed our financial model to handle and reduce the impact of the economic volatility causing pressure to all budgets reducing the potential drastic impact to our use rates. Based on these consistent and dynamic factors, the need to continue to review and adjust rates on a regular basis is necessary. Services such as water & sewer utilities should be financially stable, allowing the department to produce a consistent and reliable utility. Our current utility lacks the water production capability to support economic growth opportunities throughout the community.

#### Financial Planning Process:

The Department of Public Works (DPW), in conjunction with the accounting office, treasurer/collector's office, and Stantec Financial Consultant Management as a subject matter expert, developed our recommended rate scenario as seen in exhibit 1 & 1A

Analysis consisted of the following:

- Current & Past water / sewer use rates
- Current & Past water consumption
- Current & Past financial trends
  - o Revenue
  - o Expenditure
  - o Debt
  - o Exemptions
  - o Indirect costs
- Water & Sewer Capacity
- Water & Sewer Capital improvement plan
- Wastewater Treatment Plant Capital Improvement plan
- Current & Future development
- Comparable water / sewer district rates

#### Water & Sewer Utility Information:

The Water and Sewer Division is responsible for ensuring that the town's water supply meets or exceeds all federal Environmental Protection Agency (EPA) and State DEP guidelines for safe drinking water and that all wastewater is collected and delivered to the wastewater treatment plant. Maynard's water and sewer utilities maintain and operate three water treatment plants, 10 sewer pump stations and over 100 miles of water distribution and sewer collection lines servicing the Town of Maynard. Our systems range in age of installation from 1900 – 1990, with most of the distribution systems well over 70 years old and most of the pumping systems over 30 years old.

Maynard's Wastewater Treatment Facility (WWTF) is responsible for ensuring that all effluent discharged into the Assabet River meets or exceeds all EPA and DEP requirements. We currently operate the day-to-day requirements of this facility through a contractor, Veolia. The town is responsible for capital costs and contracted operational costs associated with the plant's processes.

The town of Maynard's water and sewer department operates and maintains three water treatment plants located in Maynard, with a permitted allowable withdrawal amount of (1.09MGD) utilizing all three treatment plants. Maynard's average daily water use was (0.77MGD) in 2025, which is a consistent increase of (0.08MGD) from our 2023 traditional average use baseline. Maynard's max day demand in 2025 was (1.22MGD) compared to our previous year of (1.45MGD). This operational method is not sustainable and near impossible to perform due to operational variables such as consistent drought status.

Our 2025 Average daily use increase is the direct result of continued development and growth throughout the community. Our utility focuses heavily on distribution system improvements, operational meter auditing and enforcement programs yearly to achieve an efficient sustainable water loss prevention program. We have increased enforcement of our water withdrawal permits mandated non-essential outdoor water use. We continue our town wide leak detection surveys twice a year, which results in quicker repairs and upgrades to leaks across the distribution system maintaining our unaccounted-for water (UAC) to 12% in 2025. We strive to consistently achieve our water utility UAC at MADEP recommended standards of 10% or lower. Internal system auditing has been our most successful program and continues to be a high focus conducted by our water Superintendent and water administrator, which has accounted for increased metering of 7.8 MGY between the calendar year 2022-2025 for current customers, mostly focused on commercial large meter customers. Our program will continue to apply efficient methods to have our utilities operating at peak performance. Water production demand is projected to continue to increase, with recently permitted development projects, and zoning adoptions. This will be monitored by our staff regularly. Increased demand has many factors such as new growth, and an extreme change in our residential customers from multi-generational residents to a swell of new residents utilizing everyday water demands at a higher rate than our traditional customer culture in the past. The final development of Maynard Crossing, and the ongoing development of Maynard Square will continue to increase Maynard's Average daily use as well.

### Grant Funding update

2025 State Earmark - The Town of Maynard's Water utility was awarded \$200,000.00 from the Massachusetts Department of Environmental Protection (MassDEP) through a state budget earmark advocated by House Representative Kate Hogan, and the Town of Maynards Select Board.

- Initiation of Phase 2 of the town's water capacity improvement plan is under way, including exploration of well sources adjacent to Rockland Avenue water treatment facility. Estimated timeline of permitting and piloting of 5 years, with a target of expedited permitting within 4 years.

2025 EC-SDC grant – Massachusetts Department of Environmental Protection agency awarded the town \$2,300,000.00 for design development focused on removal of emerging contaminants such as PFAS, and manganese reduction.

- Initiation of Phase 3 of the town's water capacity improvement plan is under way, including 50% design of treatment plant processes to remove PFAS and manganese at Old Marlborough Road water treatment facility & Rockland Avenue water treatment facility.

2025 Massworks Grant – Executive office of Economic Development Infrastructure Program in the amount of \$500,000.00 for the final design development of our Powder Mill Road Sewer Pump Station Improvement project

- Anticipated completion of full design summer 2026.

In 2025 we received an additional grant award of \$113,000.00 for our ongoing Water Pollution Abatement Project, Existing Water Service Line Inventory and Materials identification project for a total of \$313,000.00 from Massachusetts Department of Environmental protection, and Massachusetts Clean Water Trust.

- We are continuing this project to meet EPA and MADEP lead and Copper rules revision requirements. Maynard Department of Public works requested additional grant funds to expedite this program.

### Massachusetts Water Resources authority connection possibility update

Over the past three years, Maynard’s Department of Public works in conjunction with several other surrounding communities have been in consistent conversation with the Massachusetts Water Resources Authority (MWRA) water system as they explore opportunities for expansion and sale of public drinking water. In July of 2023, MWRA issued a finalized feasibility study to determine the possibilities of providing water resources to three regional locations across the commonwealth. One of those target regions is the MetroWest area, which includes Maynard, Acton, Concord, Sudbury, Stow, Hudson as well as several other communities.

Maynard’s Department of Public works, and eight (8) surrounding communities executed an intermunicipal agreement in 2025 to engage in a localized regional financial feasibility study to determine whether the Town and the interested communities will pursue admission, as a new community, to the Massachusetts Water Resources Authority (MWRA) water system which would facilitate a permanent connection to this system as a water source for Maynard.

At the end of January 2026, all nine communities collectively executed a request for qualifications (RFQ) to procure an engineering consultant with strong regional financial development background. A consultant was awarded a contract and is currently conducting a full financial and asset feasibility study of Maynard, and eight surrounding communities to pursue a regional approach to connection.

Exploring this opportunity is a very advantageous pursuit for Maynard, for the following reasons. The regulatory requirements for treating water continue to increase, making it difficult and expensive for the Town to meet these requirements. The Town anticipates incurring significant future expenses to supply drinking water, solely from our own well system, that fully complies with anticipated future Federal and State standards.

The Town is currently at serious risk of not being able to meet both the average day, and peak demand for water. A failure of a well, water filtration system, or treatment system would have a significant detrimental impact. A permanent connection to the MWRA system will provide Maynard with an additional, reliable source of water that is expected to meet all current and future Federal and State standards and provide adequate backup for Town equipment failure.

Impact:

Water and Sewer use is read and billed at the end of each quarter. Fourth quarter use from April – June 2026 will be billed at adjusted rate in exhibit 1 & 1A, effective July 1, 2026.

Maynard uses a tiered water & sewer rate system. The average water and sewer use rates fall within the 1,500cf – 2,500cf range per quarter, with some users in the low range of 500cf per quarter, and others over 5,000cf per quarter.

The financial impact with the rate change will affect the average household within the community as follows for the use of both Water & Sewer utilities use rates:

- 1,500cf of use: additional cost: x Conversion to cost per gallon = \$0.00202
  - Per year = \$90.48
  - Per quarter = \$22.62
  - Per month = \$7.54
- 2,000cf of use: additional cost: x Conversion to cost per gallon = \$0.00208
  - Per year = \$124.52
  - Per quarter = \$31.13
  - Per month = \$10.38
- 2,500cf of use: additional cost: x Conversion to cost per gallon = \$0.00212
  - Per year = \$158.60
  - Per quarter = \$39.65
  - Per month = \$13.22

This rate change will continue to help stabilize the water and sewer utility enterprise fund with a steady increase to retained earnings to meet our Enterprise account financial model goal of a consistent funding-level of 50% of annual direct costs and debt service.

This rate change will continue to allow the Department to implement reserve fund financial model adoption for each enterprise fund. Reserve funds will allow both water and sewer utilities to react in a timely manner to emergency issues that arise within our ageing infrastructure. Implementation of reserve funds in both enterprise accounts will continue to help stabilize the water and sewer utility rates moving forward and allow the utilities to reduce the need for long term debt services to react to unanticipated issues that affect our funding plans.

This rate change will allow the water utility to minimally meet the new lead and copper rule revisions with funding to assist customers with lead service line replacement.

This rate change will allow for the continuation of the utilities Phase two water capacity improvement plan, Rockland well expansion pilot and permitting process (0.3MGD), but with a reduced contribution of 50% below anticipated five-year plan for second year savings. This will extend the previous strategic five-year capital financial planning process initiated in FY26.

This rate change will postpone our 5-year financial plan to allow the water utility to proactively position the community to implement the utilities phase three water capacity improvement plan, Old Marlboro Road Treatment plant. Our phase three water capacity improvement project is the most impactful water capacity and treatment project on the utilities capital improvement plan and is vital to allow the utility to support new growth, clean water, and provide operational redundancy for systems working beyond their designed capacities.

This rate change does not address treatment adoption at all three treatment facilities to eliminate PFAS chemicals, as EPA and DEP guidelines have yet to be finalized. Estimated costs range from \$50- 70 million for all three of our treatment facilities in total.

This rate change does not increase the current dedicated yearly capital improvement financial lines in both Water & Sewer budgets from FY26.

Outreach Process:

Inform residents through Website, Facebook, Hyper-Reach, Memo, and FAQ placed in water & sewer bill prior to inception.

**Exhibit 1**

Water Division	Current Rates FY 2026	Proposed 1 Year Rate FY 2027	Dollar Increase	Percentage Increase
<b>IN TOWN CUSTOMERS</b>				
<b>Minimum Charge - Quarterly - Includes 0 CF</b>	\$45.00	\$49.50	\$4.50	10.00%
<b>Meter Water Charges - Quarterly - per 100 CF</b>				
1st Step 1-500 CF	\$3.02	\$3.08	\$0.06	2.00%
2nd Step 501-1,000 CF	\$8.54	\$8.88	\$0.34	4.00%
3rd Step 1,001-2,500 CF	\$10.04	\$10.64	\$0.60	6.00%
4th Step Over 2,500 CF	\$12.67	\$13.68	\$1.01	8.00%
<b>OUT OF TOWN CUSTOMERS</b>				
<b>Minimum Charge - Quarterly - Includes 0 CF</b>	\$67.50	\$74.25	\$6.75	10.00%
<b>Meter Water Charges - Quarterly - per 100 CF</b>				
1st Step 1-500 CF	\$4.74	\$4.84	\$0.09	2.00%
2nd Step 501-1,000 CF	\$12.78	\$13.29	\$0.51	4.00%
3rd Step 1,001-2,500 CF	\$18.02	\$19.10	\$1.08	6.00%
4th Step Over 2,500 CF	\$22.96	\$24.80	\$1.84	8.00%
<b>Private Fire Protection - Annual Charge</b>				
Hydrant	\$436.78	\$467.35	\$30.57	7.00%
2"	\$69.88	\$74.78	\$4.89	7.00%
3"	\$139.77	\$149.55	\$9.78	7.00%
4"	\$218.39	\$233.68	\$15.29	7.00%
6"	\$436.78	\$467.35	\$30.57	7.00%
8"	\$698.85	\$747.77	\$48.92	7.00%
10"	\$1,013.33	\$1,084.26	\$70.93	7.00%
<b>Backflow Prevention</b>				
Per Test	\$93.60	\$100.15	\$6.55	7.00%

## Exhibit 1A

Sewer Division	Current Rates FY 2026	Proposed 1 Year Rate FY 2027	Dollar Increase	Percentage Increase
<b>IN TOWN CUSTOMERS</b>				
Minimum Charge - Quarterly - Includes 0 CF	\$50.00	\$50.00	\$0.00	0.00%
<b>Meter Sewer Charges - Quarterly - per 100 CF</b>				
1st Step 1-500 CF	\$6.96	\$7.38	\$0.42	6.00%
2nd Step 501-2,500 CF	\$13.76	\$14.86	\$1.10	8.00%
3rd Step Over 2,500 CF	\$18.01	\$19.99	\$1.98	11.00%
<b>OUT OF TOWN CUSTOMERS</b>				
Minimum Charge - Quarterly - Includes 0 CF	\$75.00	\$75.00	\$0.00	0.00%
1st Step 1-500 CF	\$9.93	\$10.52	\$0.60	6.00%
2nd Step 501-2,500 CF	\$19.67	\$21.24	\$1.57	8.00%
3rd Step Over 2,500 CF	\$25.72	\$28.55	\$2.83	11.00%
<b>SEWER ONLY CUSTOMERS</b>				
Minimum Charge - Quarterly	\$360.00	\$380.00	\$20.00	7.00%

## Exhibit 2

Customer Type	Quarterly Usage (cu ft)	FY 2026 Rates	FY 2027 Rates	Difference (\$)	Difference (%)
	0	\$95.00	\$99.50	\$4.50	4.74%
	100	\$104.98	\$109.96	\$4.98	4.74%
	200	\$114.96	\$120.42	\$5.46	4.75%
	300	\$124.94	\$130.87	\$5.93	4.75%
	400	\$134.92	\$141.33	\$6.41	4.75%
Low usage	500	\$144.90	\$151.79	\$6.89	4.76%
	1,000	\$256.40	\$270.50	\$14.10	5.50%
	1,500	\$375.40	\$398.02	\$22.62	6.03%
	2,000	\$494.40	\$525.53	\$31.13	6.30%
Average usage	2,500	\$613.40	\$653.05	\$39.65	6.46%
	3,000	\$766.80	\$821.42	\$54.62	7.12%
	3,500	\$920.20	\$989.80	\$69.60	7.56%
	4,000	\$1,073.60	\$1,158.17	\$84.57	7.88%
	4,500	\$1,227.00	\$1,326.54	\$99.54	8.11%
	5,000	\$1,380.40	\$1,494.92	\$114.52	8.30%
	6,000	\$1,687.20	\$1,831.66	\$144.46	8.56%
	7,000	\$1,994.00	\$2,168.41	\$174.41	8.75%
	8,000	\$2,300.80	\$2,505.16	\$204.36	8.88%
	9,000	\$2,607.60	\$2,841.91	\$234.31	8.99%
	10,000	\$2,914.40	\$3,178.65	\$264.25	9.07%
	12,500	\$3,681.40	\$4,020.52	\$339.12	9.21%
	15,000	\$4,448.40	\$4,862.39	\$413.99	9.31%
	17,500	\$5,215.40	\$5,704.26	\$488.86	9.37%
	20,000	\$5,982.40	\$6,546.12	\$563.72	9.42%
	30,000	\$9,050.40	\$9,913.59	\$863.19	9.54%
	40,000	\$12,118.40	\$13,281.06	\$1,162.66	9.59%