

Worcester to appeal near \$27 million sewer dispute lawsuit with Holden

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By [Alvin Buyinza](#) | ABuyinza@masslive.com

The city of Worcester is appealing a nearly \$27 million lawsuit after a judge found the city overcharged the town of Holden to use Worcester's sewer system.

“The eventual outcome of this case will depend on legal issues which will be addressed by the Appeals Court or the Supreme Judicial Court,” the city of Worcester said in a statement to MassLive. “The city is very confident that the Trial Court Judgment will be reversed.”

On Monday, Massachusetts Superior Court Judge James Manitsas ordered Worcester to pay \$26,525,786 with 12% added on [post-judgment interest](#) for each year the judgment was not paid, [Holden officials said in a statement](#).

However, in a statement, the city of Worcester denied having any contractual relationship with the town of Holden.

“Holden has never had any contractual or other relationship with Worcester relating to these sewer transport charges,” the city of Worcester said. “It's only contract has been the with the commonwealth. Worcester has an entirely separate contract with the commonwealth by which the commonwealth has guaranteed full payment to Worcester.”

Christopher J. Petrini, the special counsel who represents the town of Holden, agrees that the two municipalities did not have a direct contract. However, Petrini said that the legal issue is based on unjust enrichment, which, “requires a party to return money unjustly received to its rightful owner, even when there was no written contract.”

Worcester was deemed responsible for overcharging Holden by more than \$10 million for the use of the city's sewer system in August 2022, the [Telegram & Gazette reported](#). As a result, Holden was awarded \$14.6 million in compensation. The verdict was upheld by Judge Mantisas, who also added \$2.2 million in costs and \$11.3 million in pre-judgment interests.

“In this case, Worcester accepted and cashed dozens of quarterly checks from Holden for wastewater transport charges imposed by Worcester that were grossly non-proportionate and excessive, and which were far in excess of the fair and reasonable value of the service provided,” Petrini told MassLive.

The special counsel believes that his party will prevail against the appeal, citing that the arguments the city of Worcester has used in past litigation have been rejected in court before.

“Rather than further delay, and therefore accumulate further post-judgment interest charges of 12% per year that it will be obligated to pay, Worcester should do the right thing as determined by a jury of its peers and reimburse Holden for the gross overcharges it has imposed on the residents of Holden for the past 15+ years,” Petrini said.

The legal battle between the two municipalities dates back to a lawsuit filed by the town of Holden in May of 2013, the Telegram reported. In the lawsuit, Holden claimed that the sewer transport fees reviewed by both Worcester and the State Department of Conservation and Recreation were unreasonable and an unconstitutional tax. As a result, Holden officials said they were being overcharged about \$1 million per year.

“If it is ever finally determined that Holden is entitled to some payment, which we do not expect, we are confident that it will be paid by the commonwealth, and not by Worcester,” the city said in a statement.