

GREAT LAKES WATER SUPPLY PROJECT

BORROWER: City of Waukesha

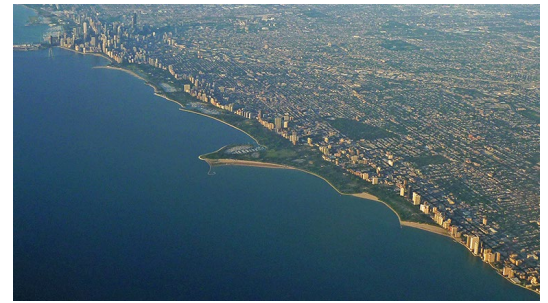
LOCATION: Waukesha, Wisconsin

WIFIA LOAN AMOUNT: \$137 million

TOTAL WIFIA PROJECT COSTS: \$301 million

POPULATION SERVED BY SYSTEM: 72,000 people

NUMBER OF JOBS CREATED: 965 jobs



Lake Michigan

PROJECT DESCRIPTION

The Great Lakes Water Supply Project will provide the City of Waukesha with a new, safer source for drinking water. The City will transition its drinking water source from depleting, radium contaminated groundwater to Lake Michigan water. The project includes the construction of infrastructure to obtain, store, and distribute drinking water from Milwaukee Water Works to City of Waukesha customers. It also includes the pumps and pipes needed to return treated wastewater to the Lake Michigan via the Root River.

PROJECT BENEFITS

- Enables the City of Waukesha to fully comply with state drinking water standards for radionuclides by September 1, 2023.
- Provides access for system users to a new potable water source through a water connection to the City of Milwaukee's municipal treatment works.
- Saves the City of Waukesha an estimated \$35.9 million from financing with a WIFIA loan compared to a bond issuance.

THE CITY OF WAUKESHA AMENDED WIFIA LOAN TO INCLUDE A PROJECT THAT SUPPORTS WATER SUPPLY CENTRALIZATION

The City of Waukesha received a \$137 million WIFIA loan in 2020 for the Great Lakes Water Supply Project. This project shifted the city's drinking water source from radium-contaminated groundwater to Lake Michigan water, providing customers with safe drinking water and enabling compliance with state drinking water standards for radionuclides.

Utilizing a customized repayment schedule available to WIFIA borrowers, the city reduced financial impacts on customers in addition to creating public health benefits. Through this flexibility in financing structure, the city will save an estimated \$36 million over the course of the WIFIA loan.

HOW THE WIFIA PROGRAM SUPPORTED THE CITY OF WAUKESHA POST-CLOSING

A primary goal of the WIFIA program is to support water infrastructure projects that provide essential public health benefits while ensuring efficient use of federal funds. The city reached substantial completion of the original scope of the Great Lakes Water Supply Project in March 2024. Notably, the city completed the project *under budget*, allowing them to repurpose \$22 million remaining on their WIFIA loan. The city determined that building a new, centralized operations center would be the most economic and effective use of the remaining WIFIA loan.

This centrally located operations center is necessary so the city can store larger repair inventory. This new center will improve city response time to system repairs, promote accessibility, increase public safety, and reduce costs. The operations center will cost approximately \$25 million and will finish construction in September 2026.

In addition, the WIFIA program allowed the city to maintain local control of the environmental review process required for this project. The city completed their own environmental documentation, leveraging the knowledge of local environmental experts. This cooperative process expeditiously moved the environmental review forward.

The WIFIA program's post-loan closing flexibilities help borrowers adjust to real-time needs and effectively serve their communities. Borrower-led decision making contributes to the WIFIA program's success in helping accelerate water infrastructure projects while lowering costs for communities.