



Waukesha Water Utility

SERVING WAUKESHA SINCE 1886

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MEMORANDUM

DATE: June 19, 2019

TO: Dan Duchniak, General Manager

FROM: Joe Ciurro, Administrative Services Manager

RE: Financial Advisory Services

In October 2019, the Waukesha Water Utility submitted a loan application seeking low-cost financing through the U.S. Environmental Protection Agency's Water Infrastructure Financing and Innovation Act (WIFIA) to fund the water supply portion of Waukesha's Great Lakes Water project.

After numerous months working with WIFIA program staff, a loan agreement for up to \$137.1M is being drafted. To effectively close on the loan, the City/Utility is required to submit bond ratings, specific to the proposed WIFIA loan, from 2-different rating agencies. One of them can be an updated rating from our existing public rating with Standard & Poors and the other must be from a separate firm. The second rating can remain private, for WIFIA loan purposes only.

We requested that our financial advisors, Baker Tilly Municipal Advisors (formerly Springsted, Inc.) quote us a fee for procuring and assisting with execution of these ratings.

We are requesting that the Water Commission approve a fee of up to \$20,000 for financial advisory services associated these bond ratings. The firm will bill for actual time and materials.

Recommended Motion: Move to approve financial advisory services with Baker Tilly Municipal Advisors in the amount up to \$20,000.