



Waukesha Water Utility

SERVING WAUKESHA SINCE 1886

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MEMORANDUM

DATE: October 25, 2019

TO: Dan Duchniak, General Manager

FROM: Joe Ciurro, Administrative Services Manager

RE: WI Safe Drinking Water Loan Program

Earlier this year, the Water Commission approved a contract for Main Street distribution system improvements; from Lombardi Way to Manhattan Drive. A month later, the City Council approved a related reimbursement resolution so that any funds spent on the project, prior to debt issuance, would be eligible for the Safe Drinking Water Loan Program (SDWLP).

The State of Wisconsin has listed this as Project No. 7000-05, and the SDWLP currently has a budget of approximately \$2.9 million to advance to the Utility. The advance must be secured by a bond that is issued by the City of Waukesha and lists the Water Utility as the Obligor.

The current rate of interest for loans in this program is 1.650%.

The financial assistance agreement (FAA) and related resolutions are not yet available, but we anticipate that these documents will be drafted and reviewed in time for the November 19, 2019 City Council meeting. This item is also planned to be reviewed by the City's Finance Committee on November 12, 2019.

Recommended Motion: Move to authorize staff to seek approval of approximately \$2.9 million Waterworks System Revenue Bonds through the State of Wisconsin Safe Drinking Water Loan Program from the City's Finance Committee and City Council.