

WIFIA Funding Process

Wisconsin Wastewater Operators
Association

2026 Government Affairs Seminar



Amy Broughton - Stantec





Photo Credit: pixabay

Agenda

1. WIFIA and its Value to Water/Wastewater Utilities
2. How does WIFIA funding work?
3. What is the process for getting WIFIA funding?
4. Wisconsin Case Studies
 - City of Waukesha, Great Lakes Water Supply Project
 - Milwaukee Metropolitan Sewerage District (MMSD), Waterway Flood Management and Restoration Projects – Loan 1
5. Illinois Case Study
 1. Alternative Water Supply Program



Water Infrastructure Finance and Innovation Act (WIFIA)



EPA Announces Approval of WIFIA Loans in the Pacific Northwest

See the EPA news releases and fact sheets for details

1 2 3 4

Announcements:

- EPA announces WIFIA Loan closings for Pflugerville, Texas and Joliet, Illinois.
- EPA announces the approval of several WIFIA Loans in Oregon and Washington.
- EPA announces \$7 billion in available WIFIA funding.

[Learn more about recent WIFIA Program Announcements](#)

www.epa.gov/wifia



About the WIFIA Program

Learn about the WIFIA program, project eligibility, and the loan process. View answers to frequent questions.



WIFIA Solutions

Have project funding challenges? The WIFIA program has solutions to help.



Apply Today

Find letter of interest and application materials for public, private, and SRF borrowers.



What is WIFIA?

- Federal credit program
- Provides affordable financing for large scale water and wastewater projects
 - > \$20 million for large communities
 - > \$5 million for small communities (population of 25,000 or less)
- Available to a wide range of potential borrowers



Water Infrastructure Finance and Innovation Act

Signed into law on June 10, 2014 and amended in 2015, 2016, 2018, and 2021

<https://uscode.house.gov/view.xhtml?path=/prelim@title33/chapter52&edition=prelim>



WIFIA Loan Closings: 2017 to 2025

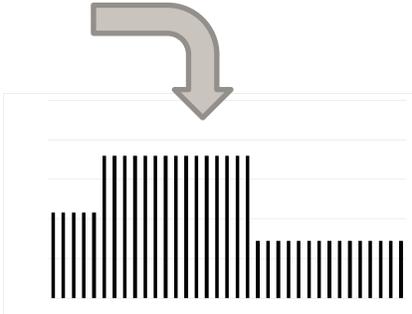
- 149 Loans Closed
- 127 Borrowers
- Total Loan Value: \$23 billion
- Ave. Loan Value: \$149 million

- 2 Loans Closed in Wisconsin
- Total Loan Value: \$179 million





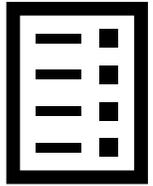
\$
Major
Capital
Investment



Sculpted
Payment
Plan



Reduced
Ratepayer
Impacts



WIFIA's value to water and wastewater utilities

- Capacity to support large projects
- Competitive interest rate fixed at closing
- Deferral of repayment (up to 5 years after substantial completion)
- Extended repayment period (up to 35 years after substantial completion)
- Potential for “sculpted” repayment
- Compatible with other funding sources



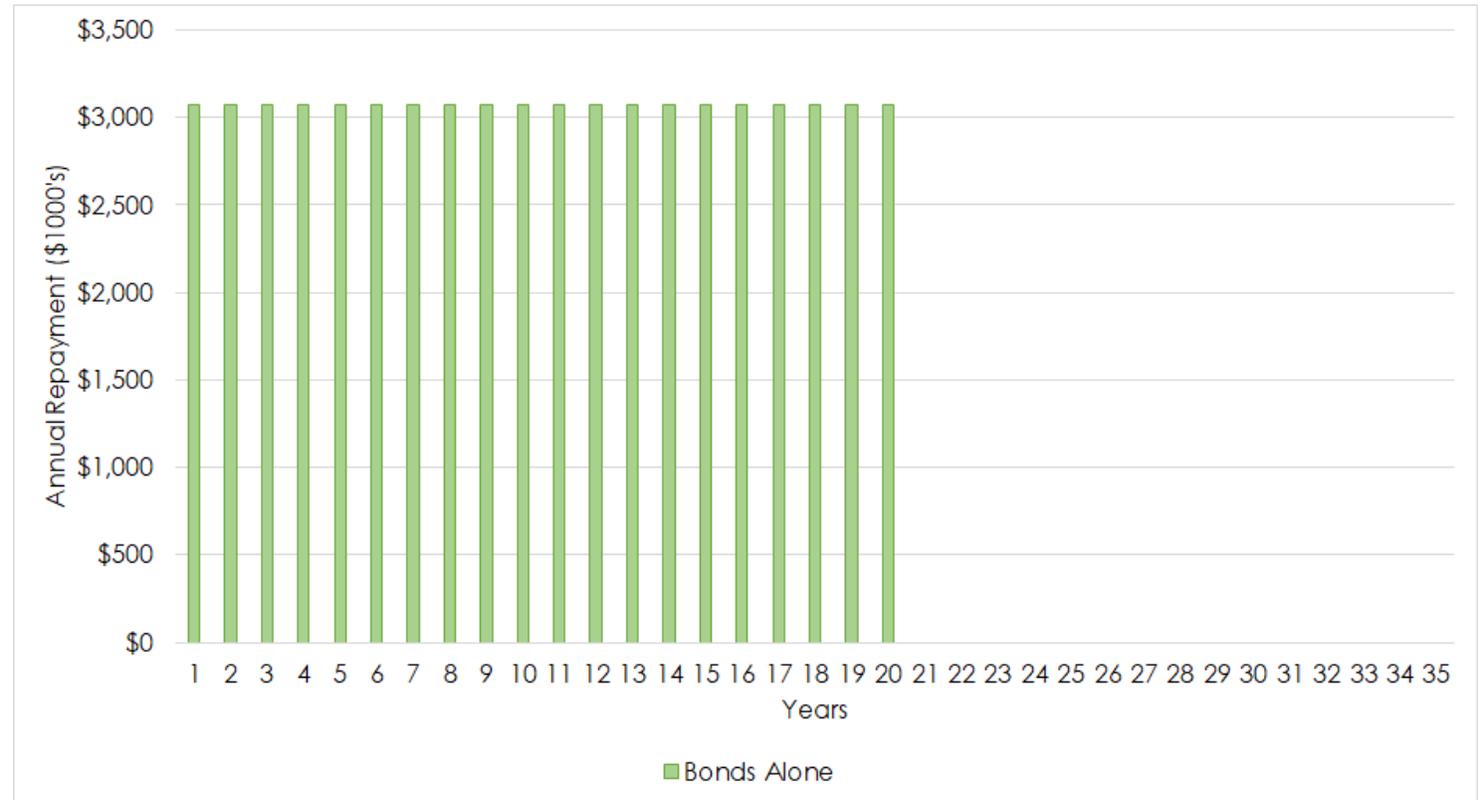
WIFIA's value to water and wastewater utilities

Capital Investment:
\$40 million

Interest Rate:
4.5% per year (Bonds)

Repayment Term:
20 years (Bonds)

Average Payment:
\$3.1 million/yr





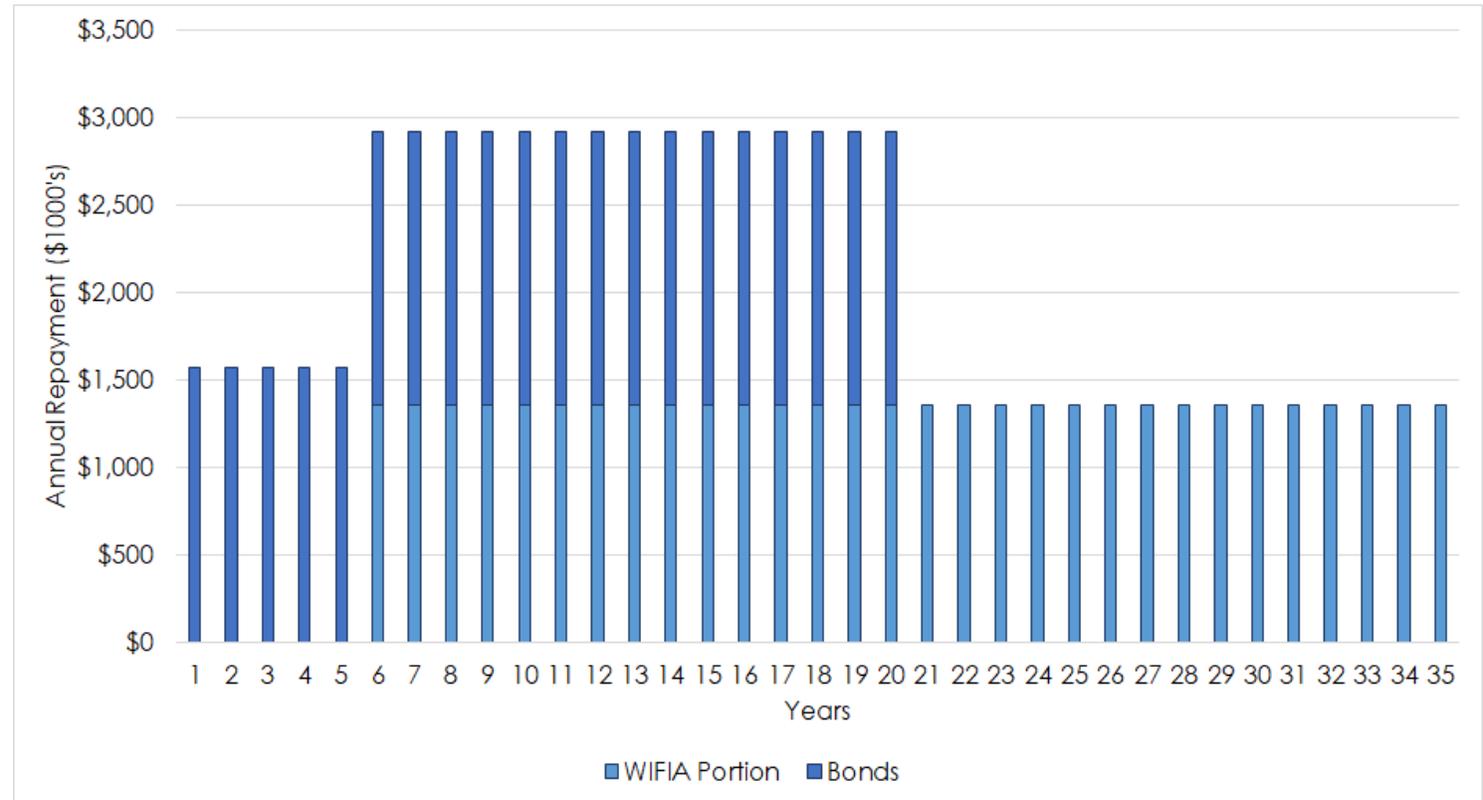
WIFIA's value to water and wastewater utilities

Capital Investment:
\$40 million

Interest Rate:
4.5% per year (WIFIA)
4.5% per year (Bonds)

Repayment Term:
30 years (WIFIA)
20 years (Bonds)

Average Payment:
\$2.1 million/yr





WIFIA's value to water and wastewater utilities

Maximum portion of eligible project costs that WIFIA can fund

49%

Portion of total eligible costs that can be funded with federal assistance

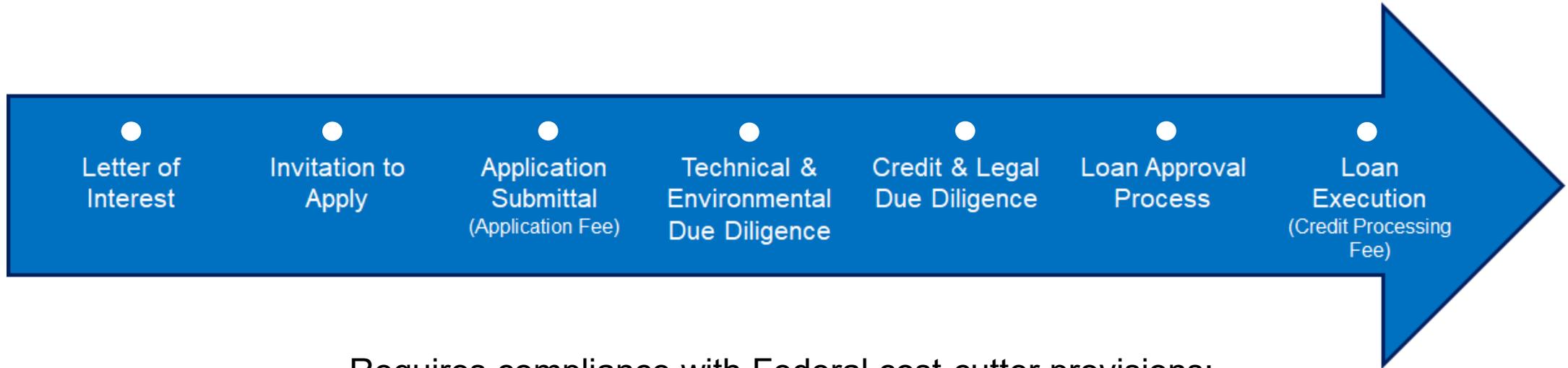
80%

Must comply with federal cross-cutter provisions

- NEPA
- Davis-Bacon
- American Iron and Steel
- Build America, Buy America Act*



WIFIA Loan Process: Loan Application to Closing



Requires compliance with Federal cost-cutter provisions:

- *National Environmental Policy Act (NEPA)*
- *Davis-Bacon (Prevailing Wage Requirements)*
- *American Iron and Steel*
- *Build America, Buy America*



WIFIA Loan Process: Loan Application to Closing

Selection

- Letter of Interest
 - Project Description
 - Loan Schedule
 - Technical Information
 - Environmental Information
 - Financial Pro Forma
 - Sources and Uses
- Invitation to Apply

Application

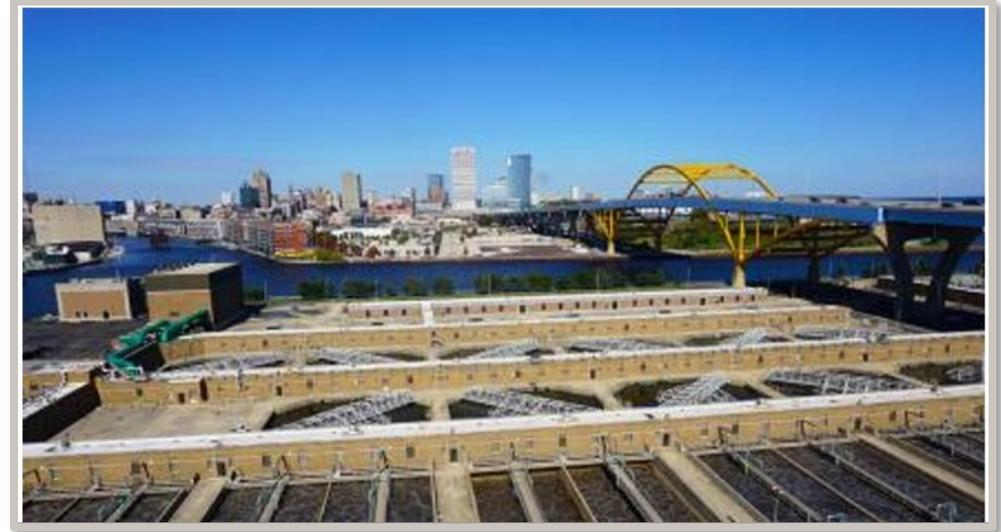
- Loan Application
 - Applicant/Loan Information
 - Applicant Background
 - Financing Plan
 - Federal Requirements
 - NEPA
 - SRF Environmental
 - Cross-Cutter Consultation
 - Contract Information
- Loan Application Fee

Loan Negotiation/ Closing

- Application Evaluation
- Due Diligence Reviews
 - Technical
 - Environmental
 - Financial/Legal
- Agreement Development
 - Loan Term Sheet
 - Loan Agreement
- Loan Execution/Closing



WIFIA Case Studies



MMSD Waterway Flood Management and Restoration Projects



Waukesha Water Utility Great Lakes Water Supply Project



Waukesha Water Utility Great Lakes Water Supply Project

Project Objective

- New, safer source for drinking water

Project Scope

- Construction of infrastructure to obtain, store, and distribute water from Milwaukee Water Works to Waukesha customers
- Pumps and pipes needed to return treated wastewater to Lake Michigan via Root River





City of Waukesha - Waukesha Water Utility Great Lakes Water Supply Project

- Loan Closed: 8/6/2020
- Loan Amended: 4/1/2025

- WIFIA Project Amount: \$ 286,000,000
- WIFIA Loan Amount: \$ 137,000,000
- WIFIA Interest Rate: 1.16%

Project used both Safe Drinking Water and Clean Water SRF loans

WIFIA identified as supplemental funding option during design

Key considerations:

- ability to defer repayment and extend loan period to reduce impact to customers
- compatibility with other funding sources (SRF)



MMSD Waterway Flood Management and Restoration Projects

Project Objective

- Improve stormwater management and reduce flood risk in historically disadvantaged communities.

Project Scope

- **30th Street Corridor, transforming abandoned industrial property into a naturalized green space**
- 210-acre-foot flood storage basin
- Increase the capacity design
- Reconstruct 2,200 feet of non-concrete lined stream channel





MMSD Waterway Flood Management and Restoration Projects WIFIA Loan

- Loan Closed: 12/21/2021
- Loan Amended: 12/15/2024

- WIFIA Project Amount: \$ 85,000,000
- WIFIA Loan Amount: \$ 42,000,000
- WIFIA Loan Interest Rate: 1.9%

Bond covers 51% of Project Costs

Key considerations:

- Find the new / other funding for major capital projects
- Federalizing projects is not a big deal
- Ability to defer repayment and extend loan period to reduce impact to customers



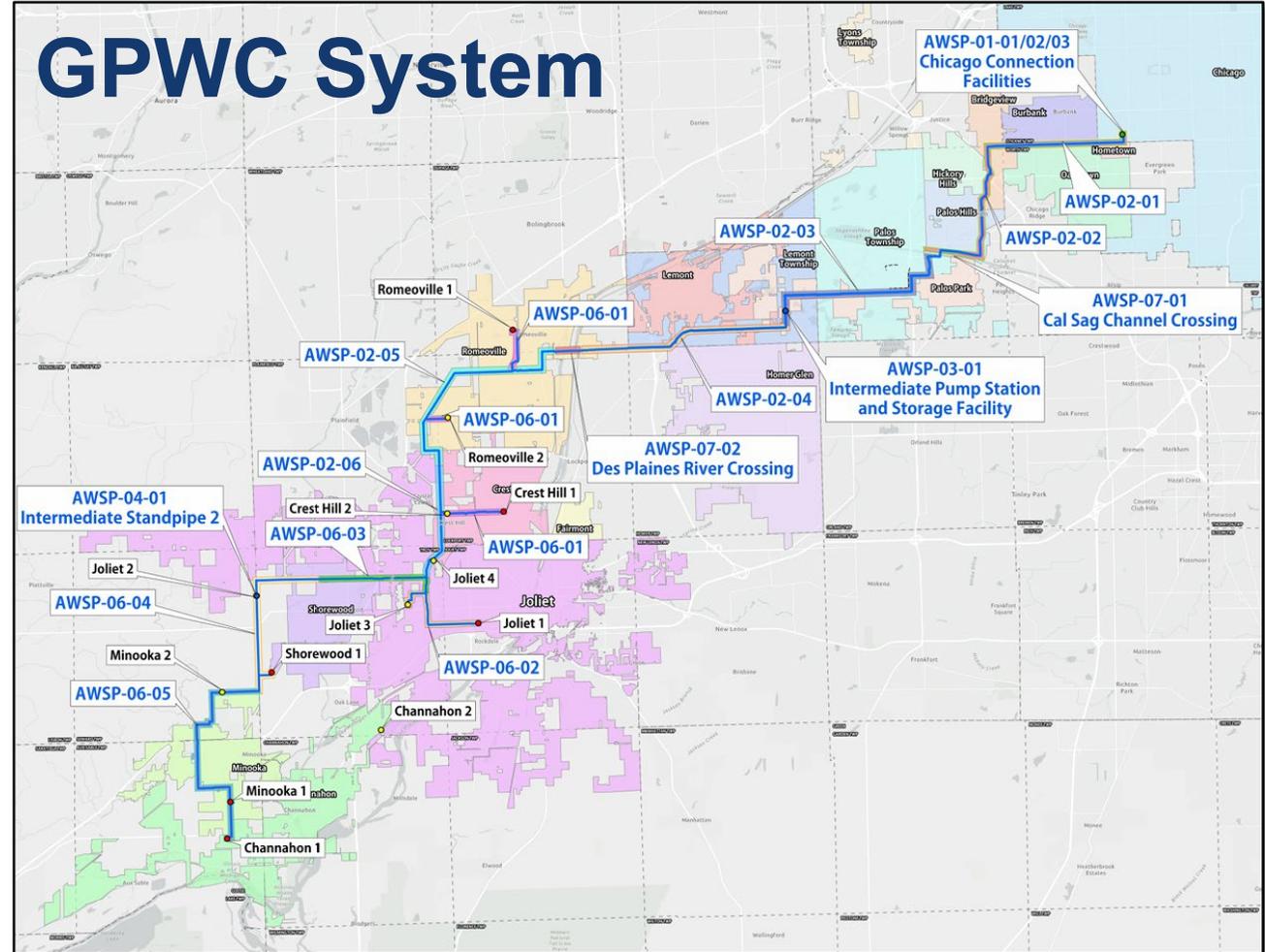
Alternative Water Source Program

Project Objective

- Establish a new reliable, sustainable, and high-quality water source for the City of Joliet and GPWC member communities

Project Scope

- New connection to City of Chicago water system
- Approximately 62 miles of water transmission pipeline (16-inch to 66-inches in diameter)
- Regional water pumping, storage, and delivery facilities
- Local distribution system modifications and non-revenue water reduction projects being implemented separately by members



Initial Commission System Design Capacity = **55.3 MGD**
Estimated Buildout Design Capacity = **103.7 MGD**
Program Budget - **\$1.446 Billion**



AWSP Funding Responsibilities

City of Joliet

Local Improvements

- Water Main Replacement
Replacement of 192 miles of main
- Joliet AWSP System Improvements
Local pumping, storage and distribution improvements

Total Costs: \$632 million

as GPWC Program Manager

- Alternative Water Source Program
Development Efforts
Design, Permitting, Land
Acquisition, Construction Mgmt

Total Costs: \$183 million

Grand Prairie Water Commission (GPWC)

- Alternative Water Source Program
Construction
Regional Water Transmission
System Construction

Total Costs: \$1,281 million

Key Considerations: EPA willingness to partner with new commission; large funding capacity; ability to defer repayment and extend loan period to reduce impact to retail and wholesale customers; compatible with a flexible funding strategy.



WIFIA Case Study Comparisons

	Waukesha Water Utility	MMSD	Joliet/GPWC Alternative Water Source Program
Decision to pursue WIFIA Financing	During Design	During Planning and Design	Initially, during Alternatives Analysis
Financing Strategy	Single Loan for Single Project	Single Loan for Single Project	Master Agreement for Joliet and Multiple Loans for multi-year Program
Complimentary Borrowing	State Revolving Fund – Safe Drinking and Clean Water	Revenue Bonds	State Revolving Fund, Short-term Borrowing, Revenue Bonds
WIFIA Coordination	Utility staff with significant outside support from bond counsel	MMSD Staff, including significant support from Legal	Led by City staff with significant outside technical, financial, legal support
Current Status	Loan Approved 11/02/2021	Loan Approved 12/21/2021	Initial Joliet Loan Approved 04/19/2022 GWPC Loan to be executed March 10, 2026



Observations Regarding WIFIA Loan Funding

- WIFIA is a powerful tool for financing of large water/ wastewater projects
 - matched to project delivery needs
 - extended repayment periods
 - flexibility in repayment approaches
- USEPA is enthusiastic in its efforts to identify and support attractive, eligible projects
- WIFIA features can be tailored to the characteristics of a borrower's needs
- The application and credit negotiation process can be demanding and often requires technical, financial, and legal support

WIFIA Funding Process

Amy Broughton, PE
Senior Principal, Funding Practice Lead
Stantec

amy.broughton@stantec.com

Thank you
