



SALT LAKE CITY

# 2020 ANNUAL REPORT

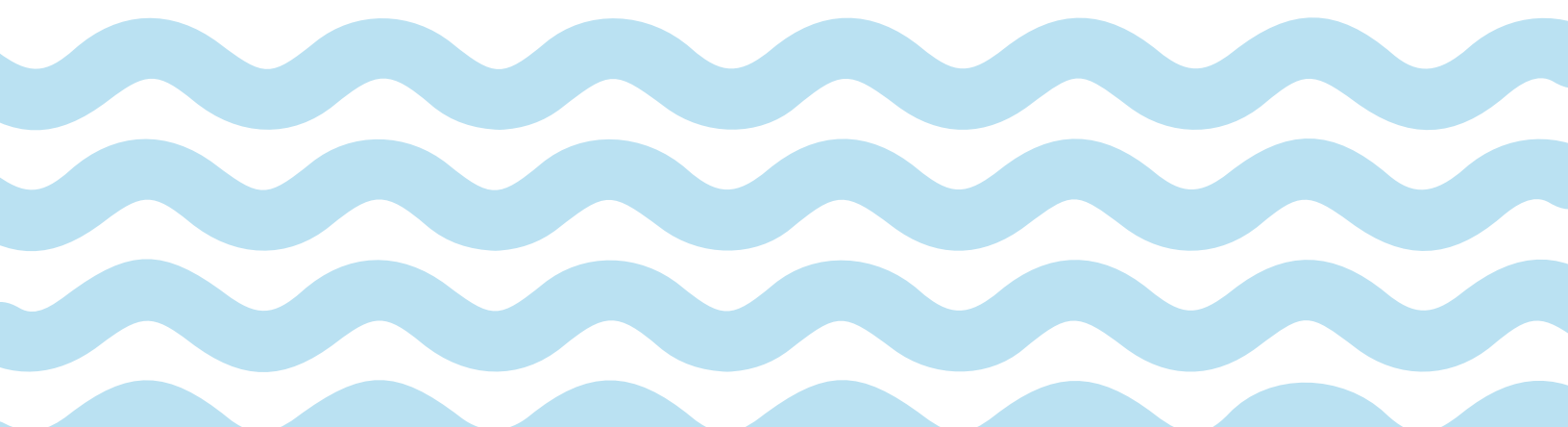
**WIFIA**  
PROGRAM

February 2021

[www.epa.gov/wifia](http://www.epa.gov/wifia)

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## A MESSAGE FROM OUR DIRECTOR

This was a year of challenge and progress for EPA's WIFIA program. Like many, we learned new ways to work and to achieve our mission, making significant progress in doing so—closing 27 loans in 2020, totaling over \$4 billion, and creating over 38,000 jobs. Now with \$11 billion of projects in our pipeline and a portfolio of 41 loans, our workload has grown significantly. In recognition of the program's growth, we became the newest division—the WIFIA Management Division—in EPA's Office of Wastewater Management.

We operate WIFIA as a government bank that provides unique flexibilities to borrowers. Our mission is to accelerate investment that will deliver significant public health and environmental benefits while also saving ratepayers money, supporting local economies, and creating jobs. To do that, we focus on adding value in the water infrastructure space and meeting all types of borrower needs. I am excited to highlight in this annual report a few of the most noteworthy aspects of diversifying the program, including:

- Closing six loans in the last year that were each under \$50 million, including a \$16 million loan to our smallest community borrower, the City of Cortland, New York.
- Expanding opportunities to communities to finance both single projects and programs of projects through bundling investments with a common purpose, like DeKalb County, Georgia, and securing a multiyear WIFIA commitment through a master agreement, like Hampton Roads Sanitation District in Virginia.
- Responding quickly to COVID-19 and its impact on communities by helping our existing borrowers save even more through resetting interest rates on previously closed WIFIA loans to benefit from the historically low Treasury yields this year.

With the recent selection of 58 new projects, including a record number of projects serving small communities, drinking water needs, and lower-income populations, I am looking forward to what 2021 holds for the program and the new opportunities we will have to help finance critical water infrastructure projects.

**JORIANNE JERNBERG**  
ACTING DIRECTOR, WIFIA MANAGEMENT DIVISION



## WHAT'S NEW IN THE WIFIA PROGRAM

The WIFIA program continues to implement new and innovative ways to provide borrowers with increased customization, savings, and financing opportunities.



### MASTER AGREEMENT

The WIFIA program can provide financing to borrowers for projects in all stages of development through a variety of mechanisms including project bundling and project phasing. One example is the master agreement, which facilitates the bundling of projects with staggered project development time frames, reduces WIFIA loan transaction costs, and reduces the number of letters of interest and applications a borrower needs to fill out to obtain WIFIA financing. The WIFIA program's flexibilities in financing a variety of projects is an important feature of the program in assisting borrowers with varying financing needs.



### LOAN RE-EXECUTIONS

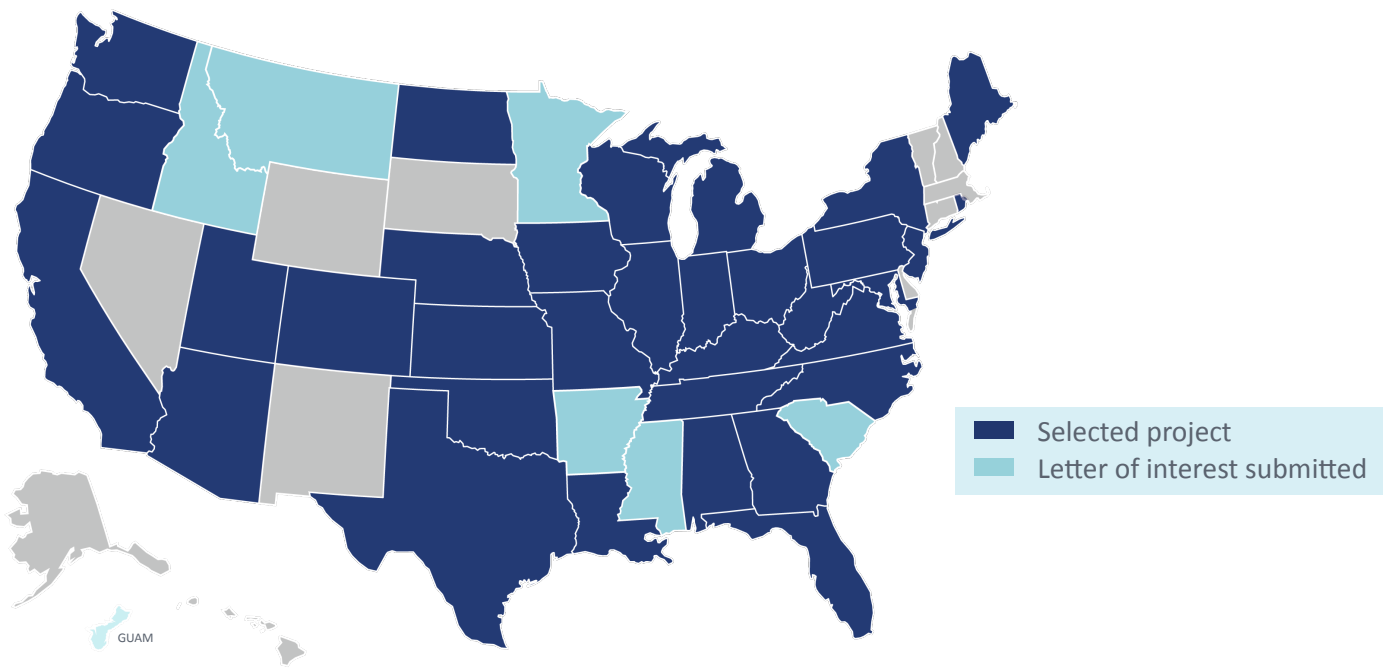
The WIFIA program continues to provide financial support at a critical time as the federal government, EPA, and the water sector work to help mitigate the public health and financial impacts of COVID-19. Since March 2020, the WIFIA program re-executed seven existing loans to lower the borrowers' interest rates. These recent loan re-executions will save ratepayers an additional \$1.5 billion of savings.



### STATE INFRASTRUCTURE FINANCING AUTHORITY WIFIA (SWIFIA)

The WIFIA program implemented the new SWIFIA program, authorized by Congress in section 4201 of America's Water Infrastructure Act (AWIA) of 2018. SWIFIA loans are available exclusively to state infrastructure financing authority borrowers, commonly known as State Revolving Fund (SRF) programs, and will allow them to finance more infrastructure projects in their states. The WIFIA program selected three FY 2020 borrowers: California, Iowa, and Rhode Island, to apply for \$695 million in water infrastructure loans.

# WIFIA HAS WORKED WITH COMMUNITIES IN 44 STATES AND TERRITORIES TO DATE



## FISCAL YEAR 2020

### EPA SELECTED 58 NEW PROJECTS TO APPLY FOR WIFIA LOANS

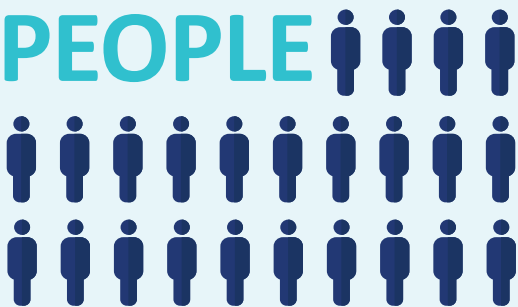
Together, the selected borrowers are invited to apply for WIFIA and SWIFIA loans totaling approximately \$6 billion to help finance over \$15 billion in water infrastructure investments.

THE SELECTED PROJECTS BENEFIT

 **21 STATES**

&

**25 MILLION PEOPLE**



ALL 10 EPA REGIONS

### REQUESTED LOAN AMOUNT TO SUPPORT AGENCY PRIORITIES

Repair, rehabilitate, and replace aging infrastructure:

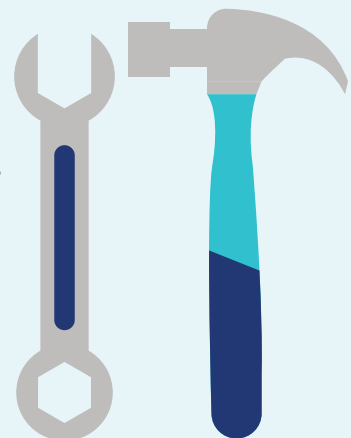
**\$3.3 BILLION**

Reduce lead and emerging contaminants in drinking water:

**\$629 MILLION**

Water reuse or recycling project component:

**\$343 MILLION**



# BORROWER SPOTLIGHTS



MIAMI-DADE COUNTY



## MIAMI-DADE COUNTY

**LOCATION:** Miami, Florida

**WIFIA LOAN AMOUNTS:** \$326 million in May 2020; \$235 million in July 2020

Miami-Dade County is the WIFIA program's most frequent borrower, closing three loans in March 2019, May 2020, and July 2020. The May 2020 loan finances the design and construction of five new electrical distribution buildings across Miami-Dade County's three wastewater treatment plants. The July 2020 loan funds the expansion of the South District Wastewater Treatment Plant's permitted treatment capacity from 112.5 million gallons per day to 131 million gallons per day annual average daily flow and the peak hourly flow capacity of the facility.

Miami-Dade was able to close each successive loan more quickly because of WIFIA's familiarity with the proposed credit and legal structure. The July 2020 loan closed three months after Miami-Dade County submitted its application.

**"The Miami-Dade Water and Sewer Department has made great progress in executing its multibillion-dollar Capital Improvement Plan—the largest in county history—which increases system capacity, fulfills regulatory requirements, and builds enhanced resilience."**

—Miami-Dade County Mayor Daniella Levine Cava



## HAMPTON ROADS SANITATION DISTRICT

**LOCATION:** Virginia Beach, Virginia

**WIFIA LOAN AMOUNT:** \$225 million

The Sustainable Water Initiative for Tomorrow (SWIFT) Program is one of the first major water reuse initiatives on the East Coast. It includes more than 20 projects across the service area to upgrade existing treatment works and build wells to inject highly treated water into the stressed Potomac Aquifer.

This is the first loan under a master agreement that will commit \$1.05 billion in WIFIA assistance to the Hampton Roads Sanitation District to implement the SWIFT Program. The WIFIA program expects to close subsequent loans with the Hampton Roads Sanitation District for the SWIFT project in future years after the National Environmental Policy Act is complete.

# BORROWER SPOTLIGHTS



CITY OF CORTLAND



## CITY OF CORTLAND

**LOCATION:** Cortland, New York

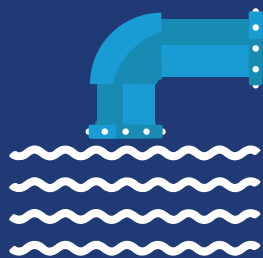
**WIFIA LOAN AMOUNT:** \$16 million

EPA closed a loan to the City of Cortland, a small city located in central New York State, for its Gateway Project. The city will undertake a major rebuild of its water and wastewater conveyance infrastructure throughout its downtown area. WIFIA financing supplements the limited funding that could be made available by state funding programs and was critical to ensuring sufficient funding sources could be assembled to complete the project.

The project, when complete, will have refurbished major wastewater and water conveyance assets, which will provide meaningful system cost savings and generally support the economic revitalization of the city's business district. WIFIA financing also saved Cortland taxpayers \$3.5 million when the city locked in a very low interest rate of 1.08% at closing. This is WIFIA'S first loan in New York and second small community borrower.

**“EPA stepped in to fund the water, sewer, and stormwater systems, making a 100-plus-year-old system into a transformational project.”**

—Mack Cook, Director of Administration & Finance, City of Cortland



## DEKALB COUNTY

**LOCATION:** Decatur, Georgia

**WIFIA LOAN AMOUNT:** \$265 million

DeKalb County will improve its aging sewer system by assessing and rehabilitating at least 700,000 linear feet of sewer collection pipes and trunk sewers across the county to reduce incidences of sewer overflows. Its project will also repair approximately 45,000 linear feet of water-main lines to address low pressure and flows in its water distribution system in the western part of the county.

While needed water-main repairs are known, the borrower had not identified the full extent of sewer rehabilitation work across the county at the time of loan close. As one of the WIFIA program's flexibilities, EPA is allowing the county to add ready-to-proceed projects to the WIFIA project list once the locations are defined.

# ACCOMPLISHMENTS TO DATE

## FUNDS REQUESTED BY PROJECT TYPE

WASTEWATER  
**\$6.8 BILLION**



DRINKING WATER  
**\$6.3 BILLION**



WATER REUSE  
**\$2.5 BILLION**



STORMWATER  
**\$1.7 BILLION**

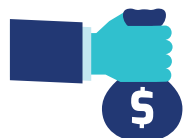


COMBINED\*  
**\$1.7 BILLION**



\*Includes projects that have wastewater and drinking water components

## CLOSED 41 LOANS



TOTAL FINANCING  
**\$7.8 BILLION**



TOTAL SAVINGS  
**\$3.7 BILLION**

(This number includes re-execution savings.)



PERCENTAGE OF PROJECTS SUPPORTING REGULATORY COMPLIANCE

**78%**

## PORTFOLIO AT A GLANCE



RANGE OF LOAN SIZES:  
**\$16 MILLION TO \$700 MILLION**



NUMBER OF LOANS UNDER \$100 MILLION:  
**19**



PERCENT OF LOANS UNDER CONSTRUCTION:  
**78%**

### LOANS CLOSED FROM JANUARY TO DECEMBER 2020

Coachella Valley Water District, \$59.1 million

Tohopekaliga Water Authority, \$40.1 million

City of Morro Bay, \$25.2 million

City of Morro Bay, \$36.5 million

City of Wichita, \$280.9 million

Seattle Public Utilities, \$192.2 million

City of Cortland, \$16.2 million

Inland Empire Utilities Agency, \$196.4 million

Miami-Dade County, \$326.2 million

San Francisco Public Utilities Commission, \$513.9 million

North Miami Beach Water, \$44.2 million

Miami-Dade County, \$235.2 million

City of Waukesha, \$137.1 million

Salt Lake City, \$348.6 million

City of Memphis, \$156 million

City of Oceanside, \$69.1 million

City of Atlanta, \$61.9 million

Soquel Creek Water District, \$88.9 million

Hampton Roads Sanitation District, \$225.9 million

City of Tacoma Sewer Utility, \$20 million

City of Stockton, \$108 million

DeKalb County, \$265 million

Narragansett Bay Commission, \$190.6 million

City of Sunnyvale, \$220.6 million

City of San Mateo, \$210.3 million

Estero Municipal Improvement District, \$66.9 million

City of San Mateo, \$85.1 million