

WASTEWATER SYSTEM IMPROVEMENT PROJECTS

STATE PROGRAM: Indiana Finance Authority

ASSISTANCE RECIPIENT: City of Bluffton, Indiana

ASSISTANCE AMOUNT: \$12.7M



PROJECT DESCRIPTION

The City of Bluffton collaborated with the Indiana SRF program and Wells County to finance a regionalization project that merged Wells County Regional Sewer District with Bluffton's collection system and wastewater treatment plant. The system merge eliminated 35 failing septic systems, reduced inflow and infiltration, and optimized Bluffton's utility operations. By pursuing a system partnership, as opposed to constructing a new wastewater treatment plant, both partners were able to save money and improve services for their customers.

To finance this regionalization project, Bluffton worked closely with the Indiana SRF to develop an innovation financing package that combined federal, state, and local resources. The Indiana Finance Authority (IFA) purchased \$12.7 million in wastewater bonds from the City of Bluffton, which were offered through the IFA's extended term program at a 35-year period and a 2.50% interest rate. As the project impacted disadvantaged communities, IFA also awarded Bluffton a State Water Infrastructure Fund Grant to mitigate the user rate impact. The combination of the extended term loan and the grant saved Bluffton over \$3.8 million in interest expenses over the life of the loan.

To read more about this case study, please visit <https://www.epa.gov/system/files/documents/2023-04/pisces-2022-compendium.pdf>.