



MEMORANDUM

Date: July 22, 2025

To: Water Utility Board

From: Krishna Kumar, General Manager
January Vang, Finance Manager
Pete Holmgren, Chief Engineer

Subject: Declaring Official Intent to Reimburse Expenditures from Proceeds of Borrowing

BACKGROUND

This proposed resolution acknowledges that the Madison Water Utility (MWU) will be requesting reimbursement of eligible Capital expenditures on two 2026 Capital Projects through the Wisconsin Department of Natural Resources' (WI-DNR) Safe Drinking Water Loan Program (SDWLP) with low-interest rate (estimated 2.31%) 20-year loans, as was similarly done by the MWU in State Fiscal Years 2023 and 2024 for prior SDWLP-eligible MWU projects.

The proposed State Fiscal Year 2026 projects intending to utilize SDWLP loan reimbursements are the proposed reconstruction of Unit Well 12 and Reservoir 12 (estimated value \$8,000,000), and the proposed Lake Forest water system consolidation & replacement project (estimated value \$4,300,000).

This resolution does not have any direct fiscal impact to the City or MWU, and simply acknowledges MWU's intent to apply for SDWLP utilization related to these projects.

LEGISLATIVE PATH

- 7/15/2025 Common Council (Introduction)
- 7/22/2025 Water Utility Board
- 7/28/2025 Finance Committee
- 8/5/2025 Common Council (Final Action)

ATTACHMENTS

1. Memo (this document)
2. Legislation Details