

COMMISSION FILE NO: 26-019-1 **DATE INTRODUCED:** January 26, 2026

INTRODUCED BY: Executive Director (Signature on File in the Office of the Commission)

REFERRED BY COMMISSION CHAIRPERSON TO: Commission

RELATING TO: A Resolution Authorizing and Providing for the Sale and Issuance of \$112,000,000 General Obligation Sewerage System Bonds, Series 2026A, Levying Taxes for the Payment Thereof, and all Other Related Details

SUMMARY:

The Commission is requested to award the sale of \$112,000,000 of the District's General Obligation Sewerage System Bonds, Series 2026A, (2026A Bonds) to the bidder providing the lowest true interest cost. The proceeds of the 2026A Bonds will be used to finance portions of the District's capital budget for the years 2025, 2026, and 2027 (the Project) that are not funded with State of Wisconsin Clean Water Fund Program loan proceeds or proceeds of loans from the U.S. Environmental Protection Agency pursuant to the Water Infrastructure Finance and Innovation Act of 2014 (WIFIA).

Approval of the attached award resolution will enable the District to finance the projects and other expenditures over a 20-year period. The size of the 2026A Bond issue was approved by the Commission in an initial resolution (25-140-10) adopted on October 27, 2025.

The award resolution levies an irrevocable, direct annual tax to pay debt service on the 2026A Bonds.

A two-thirds affirmative vote of the Commission is required for approval.

ATTACHMENTS: **BACKGROUND** ☒ **KEY ISSUES** ☒ **RESOLUTION** ☒

FISCAL NOTE ☐ **S/W/MBE** ☐ **OTHER** ☒ Award Resolution

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12-11-25

COMMITTEE ACTION: _____ **DATE:** _____

COMMISSION ACTION: _____ **DATE:** _____

BACKGROUND

A Resolution Authorizing and Providing for the Sale and Issuance of \$112,000,000 General Obligation Sewerage System Bonds, Series 2026A, Levying Taxes for the Payment Thereof, and all Other Related Details

At its October 27, 2025, meeting, the Commission approved an initial resolution, which authorized general obligation bonds and/or general obligation promissory notes to be issued in one or more series in an aggregate principal amount not to exceed \$112,000,000 for the purpose of financing portions of the District's capital budget for the years 2025, 2026, and 2027. The initial resolution also authorized District officials to prepare necessary documents for the sale of the 2026A Bonds; to accept bids for the 2026A Bonds; to pay the costs of issuance of the 2026A Bonds, including, but not limited to, bond counsel fees, financial advisory fees, printing fees for the Official Statement, and rating agency fees; and to perform all services necessary to complete the sale.

In December 2014, the Commission approved the selection of the team of Foley & Lardner, LLP, and MWH Law Group, LLP, (previously Gonzalez Saggio & Harlan, LLP) to serve as District co-bond counsel. In February 2015, the Commission approved the selection of Robert W. Baird & Co., Incorporated, to serve as financial advisor.

The attached resolution is the award resolution. This resolution establishes the terms of the 2026A Bonds, awards such bonds to the bidder providing the lowest true interest cost, and levies an irrevocable tax to pay debt service on the bonds.

Both the initial resolution and the award resolution have been drafted by co-bond counsel.

KEY ISSUES

A Resolution Authorizing and Providing for the Sale and Issuance of \$112,000,000 General Obligation Sewerage System Bonds, Series 2026A, Levying Taxes for the Payment Thereof, and all Other Related Details

In addition to reimbursements and capital costs financed with State of Wisconsin Clean Water Fund Program loan proceeds and WIFIA loan proceeds, the District needs to issue approximately \$112,000,000 in debt to finance or refinance portions of its capital budget in years 2025, 2026, and 2027.

Tax levy collections in the amount of \$2,520,000 have been reserved for 2026 debt service payments on the 2026A Bonds. This debt service amount was based on the issuance of \$112,000,000 in bonds at an interest rate of 4.50% with six months of interest to be paid in 2026.

In December 2022, the Commission authorized issuance of general obligation bonds to evidence loans made pursuant to WIFIA, to finance a portion of three capital projects. The WIFIA financing represents 49% of the costs for these projects. A portion of the proceeds of the 2026A Bonds will partially finance the remaining 51% of such costs.

Following the issuance of the 2026A Bonds, on or about February 17, 2026, outstanding general obligation debt of the District will be approximately \$915,000,000, which represents 0.93% of the District's taxable property value. Commission policy is to maintain outstanding debt within 2.5% of taxable property value. State statutes limit District debt to no more than five percent of equalized value.

RESOLUTION

A Resolution Authorizing and Providing for the Sale and Issuance of \$112,000,000 General Obligation Sewerage System Bonds, Series 2026A, Levying Taxes for the Payment Thereof, and all Other Related Details

RESOLVED, by the Milwaukee Metropolitan Sewerage Commission, that the attached Award Resolution titled, "A Resolution Authorizing and Providing for the Sale and Issuance of \$112,000,000 General Obligation Sewerage System Bonds, Series 2026A, Levying Taxes for the Payment Thereof, and all Other Related Details", is adopted.