



Metropolitan Water Reclamation District of Greater Chicago

Press Release

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For immediate release
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MWRD to offer “Green Bonds” to investors for environmentally- friendly projects

The Metropolitan Water Reclamation District of Greater Chicago (MWRD) will become one of the first wastewater treatment agencies in the country to offer a tax-exempt “green bond” offering to investors to fund environmentally-friendly infrastructure projects. Green Bonds were started in 2008 by the World Bank and are dedicated to financing environmentally-related projects.

Global rating agencies Fitch Ratings and Standard and Poors (S&P) assigned AAA ratings for the District’s upcoming bond sale and affirmed AAA ratings on all of the MWRD’s outstanding bond issues. The agencies completed a ratings review at the MWRD’s request.

“These top ratings and stable outlook will be a very strong selling tool in the bond market,” said MWRD Commissioner Mariyana Spyropoulos, Chairman of Finance. “The Green Bonds will support projects that reduce our carbon footprint and improve energy efficiency. The green bonds are a wonderful offering for financial institutions and individuals who want to invest in environmentally-beneficial opportunities.”

The MWRD has received the AAA rating from Fitch for 13 consecutive years and S&P for eight consecutive years. The Green Bonds are part of a \$297 million bond sale that begins December 15.

The purpose of labeling the Series A, B and C Bonds as Green Bonds is to allow interested parties to invest directly in these environmentally-beneficial projects. For the benefit of investors, the MWRD has defined four categories of its Green Projects below:

1. Tunnel and Reservoir Plan (TARP).

The MWRD’s innovative TARP or “Deep Tunnel” system is designed to reduce flooding and pollution caused by combined sewer overflows. The TARP was adopted in 1972 as a comprehensive pollution and flood control program for its 375 square mile combined sewer area. This area includes part or all of 52 communities, including the City of Chicago, and is one of the country’s largest public works projects for pollution and flood control. The primary goals of TARP are to protect Lake Michigan – the area’s primary source of drinking water – from polluted backflows; clean up the area’s waterways; and provide an outlet for floodwaters in order to reduce basement flooding.

Since it went online in 1985, the tunnel portion of TARP has reduced combined sewer overflow pollution in our rivers by about 85%. The system will be even more effective when the two large reservoirs are complete; the Thornton Reservoir comes online in 2015, and the first phase of the McCook Reservoir follows in 2017.

2. Stormwater Management Program Projects.

As the stormwater management authority for Cook County, the MWRD is working throughout the county to address the problems of flooding and drainage. Six Detailed Watershed Plans (DWPs) identifying flood and erosion prone areas have been identified. *(Continued.)*

Established in 1889, the MWRD (www.mwrdd.org) is an award-winning, special purpose government agency responsible for wastewater treatment and stormwater management in Cook County, Illinois.



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The DWPs provide comprehensive evaluations of existing conditions and stormwater management concerns in each of the county’s six major watersheds and include recommendations for potential capital improvement projects to address the identified concerns. The MWRD will begin construction on two streambank stabilization projects soon and is completing final design of 13 flood control and streambank stabilization contracts with an estimated cost of \$50 million. An additional four channel improvement and flood control contracts with an estimated value of \$184 million are currently in preliminary design. Phase II of the MWRD’s Stormwater Management Program seeks to address local drainage problems, develop stormwater master plans across Cook County and establish a program for purchasing flood prone and flood damage property on a voluntary basis. The MWRD has \$228 million budgeted for Phase II projects over the next five years.

3. Resource Recovery Projects.

The MWRD plans to focus on implementing sustainable and resilient practices in affecting a sustainable economy and financial base through the proper regulation and use of water, phosphorus, biosolids, and energy. The MWRD plans to achieve energy neutrality by 2023 and is pursuing innovative projects with respect to water and stormwater

reuse; the MWRD is currently constructing a phosphorus recovery facility for reuse as a fertilizer and considering food to energy gas production from anaerobic digestion processes. Improved wastewater treatment and greater plant efficiency will allow the MWRD to increase production of biosolids, a sustainable alternative to chemical fertilizers. Within the next five years, award of construction projects with a cost of approximately \$118 million is anticipated for biosolids management improvements, including the repackaging and sale of high quality biosolids.

4. Water Reclamation Plant Expansions and System Improvements.

The MWRD’s seven water reclamation plants and 22 pumping stations clean an average of 1.2 billion gallons of wastewater each day. The total wastewater treatment capacity is over two billion gallons per day. The MWRD’s Capital Improvements Program includes replacing, remodeling, completing, altering, constructing and enlarging water reclamation plants, water quality improvement projects or flood control facilities, and constructing pumping stations, tunnels, conduits, intercepting sewers and outlet sewers. It also includes purchasing air pollution equipment and property as well as covering engineering expenses for the design and construction of these various projects.

Pursuant to the respective Bond Ordinances and in accordance with the Debt Reform Act, proceeds of the Series A Bonds will be used to fund a portion of TARP, and the proceeds of the Series B Bonds will be used to fund a portion of the Stormwater Management Program projects. The Series C Bonds will be used to fund portions of the MWRD’s Resource Recovery projects and Water Reclamation Plant Expansions and System Improvements. The MWRD will track proceeds of the Green Bonds and deposit them into a segregated account. Periodic updates on the use of proceeds of the Green Bonds can be found at: www.mwrdd.org/irj/portal/anonymous/BondSales.

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Our Water Environment: Take it personally.

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