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FOR IMMEDIATE RELEASE: UNION SANITARY DISTRICT
5072 BENSON ROAD
UNION CITY, CA 94587

CONTACT: MICHELLE POWELL
(510) 477-7500

Union Sanitary District Issues Bonds to Refinance Debt at Historically Low Interest Rates

Union Sanitary District (USD) recently sold bonds to refinance over \$37 million in existing debt at lower interest rates, saving more than \$2.2 million dollars. The savings will be applied toward funding the District's extensive Capital Improvement Program, which is more than \$1 billion dollars over the next 20 years.

"Although the District has taken advantage of low-interest loans through the state and federally funded Clean Water State Revolving Fund (SRF) program for many years, a historically favorable bond market prompted staff to explore alternative financing methods that would further save money," says General Manager Paul

Eldredge. “This is part of our commitment to keep expenses down and plan for the future in a way that has the most benefit to ratepayers.”

The average interest rate on USD’s original SRF loans was 2.415%. Refinancing brought the rate down to 1.419%. The District’s Capital Improvements Program includes upgrades and improvements to address issues such as higher solids in wastewater that strain the system and make treatment more complicated and costly, increasingly stringent treatment standards, and aging infrastructure that, while well-maintained, has reached the end of its useful life.

“The District’s ability to take advantage of this opportunity is a reflection of USD’s focus on thorough capital and fiscal planning to meet both near-term and long-term challenges,” says Eldredge. “The District’s professional and efficient operations, finances, administration, and governance resulted in favorable credit ratings and investor interest that helps USD to continue providing quality service at the best value for our customers.”

Union Sanitary District operates a 33-million gallon per day wastewater treatment facility in Union City and provides collection, treatment and disposal services to a population of over 356,000 in Fremont, Newark, and Union City, CA. For more information about Union Sanitary District’s bond sale, contact Michelle Powell at (510) 477-7500.