

Granite City

A Wastewater Partnership Built for Long-Term Community Value

TRUST
WATER

For communities across the country, wastewater systems are becoming more complex to operate, maintain and fund. Aging infrastructure, evolving regulations, workforce needs and fiscal instability can place growing pressure on local governments and their residents.

For more than 130 years, Granite City has received safe, clean, reliable water from a trusted private, regulated water and wastewater provider. Building on that long-standing relationship, the City transitioned both its wastewater collection system and wastewater treatment plant to that provider, creating a more integrated approach to wastewater service for residents and surrounding communities.

The Challenges

Granite City faced a combination of operational, financial and infrastructure challenges across its wastewater system.

Rates:

Based on the existing rate structure, funds were not available to implement necessary improvements.

Operations:

Granite City wanted to step away from direct wastewater operations as technical and regulatory demands increased.

Workforce Continuity:

Community leaders wanted to preserve local knowledge and ensure employees had future opportunities with the system.

Financial:

City officials were focused on addressing outstanding debt, pension liabilities and fiscal stability.

The Solution

2020

Granite City first decided to sell its wastewater collection system. Selected through a Request for Proposal (RFP) process, Illinois American Water purchased the collection system. The system was integrated into **established, trusted operations** already serving more than 80,000 customer connections across Madison and St. Clair counties.

April 2023

Granite City officials built on the results and success of selling their collection system to a private, regulated provider and decided to sell its wastewater treatment plant and fully transition remaining operational responsibilities. **The City Council approved the sale of the plant for \$86 million.**

March 2024

The Granite City Regional Treatment Facility was fully integrated into Illinois American Water's Metro East service area. All Granite City employees were offered positions, with additional technical expertise in wastewater system engineering, operations and compliance provided by the new partnership.

Results

Investment, Stability
& Community Benefit

INVESTMENT IN GRANITE CITY WASTEWATER SYSTEM

Year	Investment
2023	\$4.7 million
2024	\$13 million
2025	\$14 million
2026	\$14 million
Total	\$45.7 million

- **Financial flexibility:** Granite City received **\$18 million** from the sale of the wastewater collection system and **\$86 million** from the sale of the wastewater treatment plant, helping relieve outstanding debt and support other local priorities.
- **Wastewater improvements included:**
 - Rehabilitation of six clarifiers to improve facility performance in meeting regulatory compliance.
 - Installation of a combined sewer overflow structure bar screen to better manage wet-weather flows and protect downstream processes.
 - Aeration improvements to optimize treatment efficiency and support regulatory compliance.
- **Long-term investment:** An additional **\$59.4 million** in planned upgrades by 2030.