Success Story: PUREWater Westminster

Delivering Confidence: A New Era of Water Security

In recent years, a growing regional water shortage placed the City of Westminster, MD, at a crossroads. City leaders recognized that traditional water sources alone would not guarantee long-term reliability for residents, businesses, and future growth. The community needed a resilient, sustainable solution that could withstand shifting climate conditions and secure a stable clean water supply for generations to come. That urgency shaped the vision for PUREWater Westminster to purify reclaimed water and create a locally controlled, drought-resistant source of clean water. What began in 2019 as a pilot project to validate advanced purification technology and build public confidence has gained steady momentum since then, with construction underway and completion expected in February 2027. When completed, the water purification facility will be the first of its kind in the state, offering a reliable source of drinking water to the community and paving the way for future water reuse facilities in Maryland.

Securing Funding to Support the Vision

It was clear from the start that this project would require a multi-layered funding approach because of its complex funding needs. Because of the project's size, municipal leaders needed to braid grants, local funds, and state and federal resources across three major project phases to align with evolving project costs and requirements.

A key part of the project's success was the City's focused approach to grant applications. Staff focused on understanding each funding agency's priorities, identifying what criteria needed to be met, and anticipating any elements that may lower evaluation ratings during the review process. To meet multiple funding timelines, requirements, and limitations, the City needed to have a streamlined approach with strong internal capacity to handle every application smoothly and efficiently. A well-organized and results-driven approach helped Westminster tailor each narrative to align project components with funder requirements to ultimately unlock opportunities that no single funding stream could have provided.

Phase One: Pilot and Validation

The City launched a small-scale pilot program to test the purification technology and confirm feasibility. This phase was supported by a $347,000 grant from the United States Bureau of Reclamation. Westminster also partnered with Johns Hopkins University and the University of Maryland to conduct independent testing, providing third-party validation of system performance and water quality before proceeding to the engineering phase.

Phase Two: Engineering and Design

Using data and lessons from the pilot, Westminster advanced into the engineering phase using a $1,530,152 grant offered by Carroll County. This grant was funded through the American Rescue Plan Act State and Local Fiscal Recovery Funds (ARPA SLFRF), and fully covered the engineering costs with additional funds left over. Usage of these funds was

deliberately aligned with ARPA expenditure deadlines, allowing the city to preserve flexibility in later construction financing.

Phase Three: Construction
Construction funding was assembled from a combination of grants and allocations, including:

- $2.945 million (FY23) and $1.9 million (FY26) EPA Community Grants
- $424,367 remaining from the Carroll County ARPA funds after engineering and design was completed
- $1.5 million from Carroll County ARPA SLFRF funds
- $6 million from Westminster's own ARPA SLFRF allocation

By the time final bids were received, total construction costs had risen to approximately $25 million—well above initial estimates. To address this gap without delaying progress, the City secured additional financing:

- A $7 million forgivable loan from the Maryland Department of the Environment (MDE)
- A $9 million low-interest loan (1%) through MDE's Water Infrastructure Financing Program

Together, these sources allowed Westminster to move forward with construction while maintaining compliance with the distinct requirements attached to each funding stream.

Delivering Under Pressure: Managing Administrative Complexity
Though the City was able to secure the financing needed to complete the project, the path to construction was not without obstacles. Each grant or loan came with its own eligible uses, reporting standards, timelines, and audit requirements. Rather than blending all funds together, Westminster had to carefully assign each source to specific project components based on eligibility and schedule. As a result, Westminster faced four major challenges that tested the team's adaptability and long-term planning:

- **Regulatory uncertainty:** As Maryland's first indirect potable reuse facility, PUREWater Westminster required the establishment of a new permitting pathway. During the engineering phase, it became clear that existing state regulations did not provide a mechanism for review. Working alongside state partners, a new legislative framework was developed and enacted in 2023, enabling regulatory oversight for reuse projects moving forward.
- **ARPA SLFRF deadlines:** ARPA SLFRF funds carry strict expenditure timelines. To remain compliant, Westminster strategically applied these funds to project elements that could be completed within the allowable window, such as engineering and early construction activities. This sequencing required constant coordination between financial management and project delivery teams.

- **Escalating costs and compressed timelines:** When construction bids exceeded projections, the City needed to quickly secure additional financing while maintaining momentum. This meant preparing new applications, engaging state partners, and aligning loan terms with existing grant conditions on an accelerated schedule.
- **Ongoing compliance and reporting:** Managing a portfolio of grants and loans requires meticulous tracking of expenditures, documentation, and performance reporting. Staff had to balance these administrative responsibilities alongside day-to-day project management, underscoring the importance of internal readiness and cross-departmental coordination.

Successfully navigating these challenges required adaptability, clear internal processes, and sustained staff commitment over multiple years.

Building the Internal Capacity to Succeed

Westminster's experience demonstrates that managing complex, multi-source funding is as much an administrative challenge as a financial one. Successfully braiding funds required strong internal systems for grant management, documentation and reporting, as well as close coordination among finance, engineering and leadership teams.

Strengthening this type of administrative capability is essential for municipalities pursuing complex infrastructure projects. Westminster's ability to respond to regulatory uncertainty, align funding with project timelines, and remain compliant across multiple funding streams was a critical factor in keeping the project on track.

Partnering for Progress

Throughout the project, Westminster relied on strong partnerships with the State of Maryland, The University of Maryland, Johns Hopkins University, and the Maryland Department of the Environment (MDE), whose ongoing support and collaboration were essential to keep the project moving. These relationships provided technical guidance, regulatory coordination, and independent validation that supported both project delivery and funding success. Reflecting on the journey, Sara Imhulse, City Administrator, emphasized gratitude for the team's persistence and commitment, noting, "This project embodies Westminster's commitment to sustainable innovation. By identifying and securing outside funding, we ensured that commitment didn't come at the expense of ratepayers."

The Path Forward: Lessons for Other Communities

Westminster's experience offers practical guidance for other communities pursuing complex infrastructure projects, and demonstrates that large, ambitious projects are achievable for communities when creativity, persistence, and strategic planning come together.

Key takeaways include:

- Conduct early assessments of internal capacity and resource needs
- Match funding sources to project components based on eligibility and timelines
- Build systems that support compliance, transparency, and adaptability

- Invest in partnerships that provide technical and regulatory support

Additional Resources:

- Internal Capacity for Federal Grant Funding Assessment: A self-assessment tool developed by the MTAP team to help municipalities evaluate readiness for pursuing and managing federal grants.
- MTAP Fund Mapping: A service that connects municipal projects with potential funding opportunities.
- State and Federal Technical Assistance: Additional resources available through the MTAP website.

Disclaimer: All information, data, and narrative elements captured in this success story were provided by the City of Westminster for publication.