

WAUKESHA WATER PROJECT

EPA awards \$137.1M loan toward project



Nikki Brahm/Freeman Staff

Wisconsin U.S. Rep. Bryan Steil, R-Janesville, Waukesha County Executive Paul Farrow and Mayor Shawn Reilly meet at the press conference Wednesday to discuss the WIFIA loan for the Great Water Alliance project.

Will save residents \$38M, says EPA administrator

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WAUKESHA — Environmental Protection Agency Administrator Andrew Wheeler made a trip to Waukesha Wednesday to announce a \$137.1 million loan with an interest rate of 1.16% over a 38-year-term under the Water Infrastructure Finance and Innovation Act (WIFIA) towards the Lake Michigan water supply project in Waukesha.

A press conference, which was held at the Barstow Plaza in front of the Lee Sherman Dreyfus State Office Build-

ing, included speakers Mayor Shawn Reilly, Wheeler, EPA Region 5 Administrator Kurt Thiede, and Wisconsin U.S. Rep. Bryan Steil, R-Janesville.

The estimated \$286 million project, dubbed the Great Water Alliance, will construct the pipelines and other infrastructure needed to bring Lake Michigan water to Waukesha and then recycle it back to a Lake Michigan tributary after use and treatment. The current groundwater supply in Waukesha is depleted and contains contaminants including radium.

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Wheeler and Reilly thanked several members of Congress who helped with the project, including Steil, Wisconsin U.S. Rep. Jim Sensenbrenner, U.S. Sen. Tammy Baldwin, D-Wis., and U.S. Sen. Ron Johnson, R-Wis.

"The loan will save the residents here an estimated \$38 million compared to typical bond financing while project construction and operations are expected to create nearly 1,000 jobs," Wheeler said. "With this loan closing, EPA has now issued 26 WIFIA loans, totaling \$5.6 billion in credit assistance nationwide to help finance \$12.4 billion for water infrastructure projects."

Reilly said after decades of discussion on the water project, it's now well underway.

"The infrastructure we are building can last for 100 years but because of the long term of this loan, future water users will appropriately share in those infrastructure costs, reducing the impact on current residences and businesses," he said. "The WIFIA loan will finance the water supply portion of our project. Our return flow is

being financed by Clean Water fund loans through the Wisconsin Department of Natural Resources."

Steil said the event was a win for health, Wisconsin jobs, Wisconsin families and the future of Waukesha.

"While the project has been decades in the making, for today's announcement we specifically need to thank Administrator Wheeler and President Donald Trump," Steil said. "Your attention and dedication to addressing the concerns in Waukesha and in our local communities is noticed and it's appreciated."

Waukesha Water Utility General Manager Dan Duchniak told The Freeman he is very glad the city was one of the first to apply and obtain the loan.

"To me the flexible terms along with the interest rate are what makes this an incredible program for the city because it gives us the flexibility to manipulate payments and payment schedules so that we can match other loan programs and we can have it all stabilize throughout the entire time that we're paying that project," Duchniak said.

Construction on the return flow pipeline is expected to begin in September, Reilly said. The

pipeline into Waukesha may begin construction in October.

Contracts for the return-flow infrastructure, which will run from the Clean Water Plant in Waukesha to an outfall location along the Root River, came in \$20 million under budget. The contract was awarded to S.J. Louis Construction, Inc. for under \$80.4 million.

Bids for the 12-mile water supply pipeline should be awarded by the Waukesha Common Council on Sept. 1.

Wheeler said the loan program is only three years old and highlighted that it's a competitive process.

Reilly said they worked hard to obtain the loan about two years ago.

"Prior to that time the city of Waukesha made a number of trips out to Washington D.C. and have been laying the groundwork as much as we could to get the loan," he said.

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