

Waukesha Mayor: EPA announces low-cost loans for Waukesha water supply project

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[The Environmental Protection Agency has announced](#) low-cost federal financing for the City of Waukesha's switch to a Lake Michigan water supply.

"The federal financial help is great news for Waukesha's ratepayers," according to Waukesha Mayor Shawn Reilly. "The low-cost loans are definitely our best option for financing this critical infrastructure project."

The mayor thanked federal lawmakers and community groups for their support of Waukesha's application for the federal financing. "We worked long and hard to make the case for financial help for our ratepayers. Our lawmakers and our community were a big help," he said. "Everyone's goal has been to ensure the lowest possible cost for providing a long-term, safe and reliable water supply."

The Water Infrastructure Finance and Innovation Act (WIFIA) loans provide low-cost financing assistance for water projects of regional and national significance. Waukesha was approved for \$116 million in financing, or approximately 40% of the \$286 million cost of the new water supply. The city has separately applied to the state for \$163 million in other low-cost loans to cover the bulk of the remaining cost. "I am pretty confident that our requests under the state's programs will also be approved," Reilly said.

WIFIA loans are for up to 35 years, including the option for a five-year delay in the start of payments. The mayor said the project's pipelines will have a useful life of 100 years.

The city's current groundwater supply is environmentally unsustainable and contains excessive levels of naturally occurring radium. A proposal to switch to a Lake Michigan water supply by 2023 was unanimously approved by the Great Lakes governors in 2016, who said the city had no reasonable water supply alternative. Pipeline construction will start in 2020 in order to access Great Lakes water. The clean water will be returned to a Lake Michigan tributary after use and treatment.