



OFFICE OF GOVERNOR PAT QUINN

# NEWS

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## **Governor Quinn Announces First Chicago Project Out of \$1 Billion Illinois Clean Water Initiative** *\$15 Million to Upgrade Chicago Water Pipelines and Mains*

CHICAGO – January 16, 2013. Governor Pat Quinn today was joined by Chicago Mayor Rahm Emanuel, Illinois Environmental Protection Agency (IEPA) Director John Kim, Illinois Finance Authority (IFA) Executive Director Chris Meister, and labor union leaders to announce the award of a low-interest, long-term \$15 million loan to the city of Chicago to replace about seven miles of drinking water pipeline.

In October 2012, Governor Quinn launched the \$1 billion Illinois Clean Water Initiative to help local governments overhaul aging drinking water and wastewater treatment plants and pipelines and create or support 28,500 jobs across Illinois. As part of the initiative, the city completed the necessary application and meets the eligibility criteria to qualify for a long-term, low-interest loan, which is being jointly administered by IEPA and the IFA. The Chicago project will support hundreds of jobs and modernize local water infrastructure in the city.

“The Illinois Clean Water Initiative is about improving public health, conserving a precious resource and jobs, jobs, jobs,” Governor Quinn said. “Our commitment to clean water will allow a few hundred skilled laborers to roll up their sleeves and get to work replacing obsolete piping from 55th Street all the way to North Avenue.”

“Upgrading and improving our water system makes our city more appealing for businesses and improves the quality of life for our residents, both for the thousands who directly benefit from the jobs created by these construction projects and the millions who rely on our water system every day,” said Mayor Emanuel. “By investing in our infrastructure we are investing in our future, and this loan will help upgrade more water mains and put more people to work in 2013.”

Chicago has one of the oldest water systems in the nation. About 900 miles of the 4,230-mile network are a century old; 400 miles of pipes were laid before 1890. When some pipes were laid, Ulysses S. Grant was President and the Great Chicago Fire was still a year away. Water main ruptures have been common, causing outages, flooded basements and a Foster Avenue sinkhole which swallowed an SUV in 2011.

The City of Chicago Department of Water Management is using the proceeds of the loan for improvements to its drinking water system at 20 sites. Under Mayor Emanuel’s “Building a New Chicago” program, the city’s Water Main Replacement Program has a goal of replacing 88 miles of water mains each year for the next decade.

“Because of the large number of water mains that are nearing or have exceeded their 100-year service anniversary, the loan will help the city of Chicago reach its ambitious goal for water main replacement,” said IEPA Director Kim. “I invite leaders of other local governments and water treatment districts to join us in similar partnerships.”

In addition to the jobs created for Chicago-area pipefitters and pipe trades, plumbers, operating engineers, ironworkers, laborers and carpenters, several hundred more jobs will also be created indirectly.

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“The jobs created by the Clean Water Initiative are good-paying jobs, since a prevailing wage requirement is part of every project,” said James F. Coyne, business manager of Plumbers Local 130. “For the city of Chicago to succeed and thrive, it needs a modern, well-built water infrastructure. The Clean Water Initiative goes a long way to achieving that.”

“Maintaining Illinois’ clean water infrastructure is critical to ensuring that communities across our state, including Chicago, remain safe and livable,” said U.S. Senator Dick Durbin (D-IL). “This investment by the state of Illinois – made possible by leveraging funding through federal grants and the Recovery Act – will not only ensure that Chicago’s residents continue to have access to a reliable water source, it will also provide an economic boost to the region by creating hundreds of good-paying jobs.”

“We’re putting thousands of unionized building trades workers back to work, cutting the cost to local governments of financing clean water projects and ensuring safe drinking water for consumers,” said IFA Executive Director Meister.

Governor Quinn proposed the Clean Water Initiative during his 2012 State of the State Address, and directed the IEPA and IFA to expand the State Revolving Fund from \$300 million to \$1 billion annually. The Illinois Clean Water Initiative is funded with annual federal grants, funds from the American Recovery and Reinvestment Act (ARRA), and additional principal and interest from loan repayments. No new state tax dollars are used. Needed equity will be provided by the existing loan portfolio and future federal capitalization grant dollars.

The governor launched the initiative in October with U.S. Environmental Protection Agency (USEPA) Administrator Lisa Jackson and several construction unions. Today’s announcement is the second loan to be issued under the Clean Water Initiative. Last month, Governor Quinn awarded \$4.8 million to Pekin, Illinois, to upgrade its wastewater treatment facility. Since 1989, IEPA has lent \$4.3 billion to 472 communities; there has never been a single defaulted loan during the program’s history.

To learn more about the Illinois Clean Water Initiative, visit [CleanWater.Illinois.gov](http://CleanWater.Illinois.gov).

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