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Contact: Samantha Weigel

650-522-7005

sweigel@cityofsanmateo.org



Clean Water Program Earns Invitation for Second EPA Loan

Federal financing could save residents, ratepayers millions of dollars in interest

SAN MATEO, Calif. – The City of San Mateo received encouraging news from the U.S. Environmental Protection Agency (EPA) this week as it was formally invited to apply for an additional \$85 million Water Infrastructure Finance and Innovation Act (WIFIA) loan in support of the Clean Water Program.

This invitation adds to the 2018 invitation to apply for a WIFIA loan of \$277 million to provide low-cost funding for its wastewater treatment plant expansion project. The additional funding will help pay for several vital sewer collection system improvement projects throughout the City, including the new underground flow equalization system project which is a 5.3-million gallon structure that will provide additional capacity needed to prevent sanitary sewer overflows.

The EPA announced the Peninsula-based program as one of 38 projects in 18 states to be invited to apply for a federal loan under the WIFIA program. You can read the [EPA's announcement](#) online. Final funding decisions are expected in 2020.

“This low-interest federal financing will potentially save our residents millions in program costs. The flexibility of WIFIA funding is critical to helping us keep sewer rates as affordable as possible,” said Public Works Director Brad Underwood.

The Clean Water Program, San Mateo Public Works Department’s largest initiative, seeks funding to help modernize the City’s sewer collection system, which will reduce sewer overflows in San Mateo and improve the quality of treated water discharged into the San Francisco Bay. In September, the City celebrated the groundbreaking of the program’s new wastewater treatment plant.

The new funding would help pay for more than three miles of new pipelines, improvements to pump stations and a new underground flow equalization system. The improvements will reduce pollution in the Bay by preventing sewer overflows that occur during heavy storms.

About the Clean Water Program

The Clean Water Program is a comprehensive plan to upgrade San Mateo’s wastewater collection system and wastewater treatment plant to provide reliable service for years to come.

The \$1 billion initiative launched in 2015 to modernize the San Mateo sewer system, a response to a Cease and Desist Order from the State of California mandating a sewer system upgrade to eliminate sewer overflows from entering the San Francisco Bay.

The Clean Water Program is intended to meet the following goals: to replace the aging pipes and facilities that have reached or are nearing their lifespan of 50-60 years; to meet current and future regulatory requirements and increase system capacity during heavy rains; and to align with long-term sustainability goals. Improvements to the wastewater treatment plant and sewer collection system will protect public health and the health of San Francisco Bay.

Visit the [Clean Water Program website](#) for more information.

About WIFIA

Established by the Water Infrastructure Finance and Innovation Act of 2014, the WIFIA program is a federal loan and guarantee program at the EPA that aims to accelerate investment in the nation's water infrastructure by providing long-term, low-cost supplemental credit assistance for regionally- and nationally-significant projects.

EPA's WIFIA loans allow large and small communities across the country to implement projects to address two national water priorities – providing for clean and safe drinking water, including reducing exposure to lead and other contaminants, and addressing aging infrastructure.

According to the EPA's estimate of national drinking water and wastewater needs, more than \$743 billion is needed for water infrastructure improvements. The EPA's WIFIA program plays an important part in fulfilling this need and in the President's Infrastructure Plan, which calls for expanding project eligibility.

Visit the [WIFIA website](#) for more information about the program.

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