

Bull Run TREATMENT PROJECTS

*Our water: Safe and abundant
for generations to come*

To comply with federal Safe Drinking Water Act regulations, the Portland Water Bureau (PWB) is building a water filtration facility, new pipelines, and an improved corrosion control treatment facility. The Bull Run Treatment Projects will provide consistent, high-quality drinking water that meets today's water quality standards, help address aging infrastructure concerns and future risks and regulations, and improve system resilience to help keep our water safe and abundant for generations to come.

Learn More

Visit

portlandoregon.gov/bullrunprojects

Contact

Bonita Oswald
Portland Water Bureau
Project Communications
503-865-6039
bullrunprojects@portlandoregon.gov

Updated: April 7, 2020

Water Infrastructure Finance and Innovation Act Financing

On April 1, 2020, PWB applied to the U.S. Environmental Protection Agency (EPA) for a low-cost supplemental loan from the Water Infrastructure Finance and Innovation Act (WIFIA) program to build the Bull Run Treatment Projects. The WIFIA program covers up to 49 percent of eligible project costs and, based on rate projections, will provide approximately \$350 million of debt service savings over the term of the loan.

- WIFIA provides long-term, low-cost supplemental loans for nationally and regionally significant projects like the Bull Run Treatment Projects.
- The WIFIA program was created by Oregon Senator Jeff Merkley and passed by Congress in 2014, and officially launched in 2017.
- The program is designed to provide loans with low interest rates that can significantly reduce ratepayer costs and create jobs by accelerating investment in the nation's critical water and wastewater infrastructure.
- WIFIA offers a flexible repayment schedule to allow for water rate increases to be phased in over a longer period of time.
- WIFIA will help finance important and necessary improvements to Portland's water system, including improved corrosion control, a new filtration facility, and related pipelines.
- The construction contracts will include Community Benefits Agreements that incorporate workforce equity and community inclusion goals and promote training and work opportunities for minorities and women in the construction industry.



The City of Portland is committed to providing meaningful access. To request translation, interpretation, modifications, accommodations, or other auxiliary aids or services, contact 503-865-6039.

Calculating the WIFIA loan amount



- The total allowable WIFIA loan includes cost estimates submitted to Portland City Council in 2019 (\$820 million for the filtration facility and pipelines, and \$20 million for improved corrosion control). Other eligible costs include inflation, indirect costs, bond reserves and interest costs, and a contingency amount.
 - The interest rate for a WIFIA loan is fixed at the U.S. Treasury bond rate for a similar maturity on the date the loan closes, and that low rate remains locked in for the life of the loan.
 - Borrowers have up to 35 years after substantial completion of a project to repay a loan, saving ratepayers money by allowing for smaller payment amounts over the life of the loan.
 - The EPA will allow delaying loan repayment until after the filtration facility is substantially completed in 2027, payments on the loan will not need to begin until after ratepayers are already getting the benefits of the new facilities.
- The low-cost loan and long-term repayments will significantly reduce the cost to ratepayers and secure PWB's vision of keeping the region's water safe and abundant for generations to come.
- PWB continues to seek efficiencies in Water Bureau operations and programs to manage rate impacts.
 - PWB has a robust and expanded financial assistance program to be responsive to community needs including:
 - A dedicated financial assistance service team.
 - Expanded income qualifications and greater discounts for customers experiencing extreme poverty.
 - Crisis vouchers to help households get through unexpected financial crises.
 - Up to \$500 assistance annually to income-qualified customers living in multi-family dwellings at risk of eviction, administered through Home Forward's rental assistance program for those whose utility bills are already included in rent.



The City of Portland is committed to providing meaningful access. To request translation, interpretation, modifications, accommodations, or other auxiliary aids or services, contact 503-865-6039.