

## News Releases from Region 04

# EPA Announces \$49 Million Loan to Florida Keys to Enhance Climate Resilience of Drinking Water System

*EPA's WIFIA loan will help provide backup water supply during extreme weather events*

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WASHINGTON (April 15, 2021)- Today, the U.S. Environmental Protection Agency (EPA) announced a \$49 million Water Infrastructure Finance and Innovation Act (WIFIA) loan to the Florida Keys Aqueduct Authority in Key West, Florida. The loan will support infrastructure upgrades that will make the Florida Keys and its drinking water system more resilient to extreme weather events and climate change.

“Together, this WIFIA loan and the Florida Keys Aqueduct Authority will help ensure a reliable supply of safe water in emergency situations while reducing project costs,” said EPA Administrator Michael S. Regan. “EPA’s experience with WIFIA shows the multiple community benefits of water infrastructure investments, which would be multiplied under the American Jobs Plan.”

Drinking water for the Florida Keys is supplied by the mainland and pumped 130 miles from Florida City to Key West. In an emergency, the Keys can make their own freshwater at the Stock Island Reverse Osmosis Facility, which was essential in the aftermath of Hurricane Irma. However, the aging plant is failing and in need of significant and costly repairs. EPA’s WIFIA loan will help finance the Florida

Keys Imperiled Water Supply Rehabilitation Project to replace a reverse osmosis plant that will provide a reliable alternative water supply during emergencies. Funding will also support additional upgrades to aging infrastructure throughout the system, including 12 miles of aging pipes and an underperforming water distribution pump station. These upgrades will help improve the system’s climate resiliency and mitigate the impacts of more frequent and severe hurricanes.

“The Florida Keys Aqueduct Authority is pleased to have the opportunity to utilize the funding made available by the Water Infrastructure Financing and Innovation Act,” said the Authority’s Executive Director Kerry Shelby. “This low-interest federal loan program will significantly improve the affordability of our reverse osmosis water plant construction that will serve as an emergency water supply for the lower keys. We want to thank our staff and our financial team for all their hard work in making this loan successful.”

EPA’s WIFIA loan will finance nearly half of the total project cost of \$100 million—saving the Florida Keys Aqueduct Authority an estimated \$13 million. These savings can be passed on to customers through continued service improvements from additional infrastructure investment or greater rate stability throughout the life of the loan. Project construction and operation are expected to create more than 300 direct and indirect jobs.

With EPA’s WIFIA loan to the Florida Keys Aqueduct Authority, and two others announced today, the agency has announced 49 WIFIA loans that are providing over \$9.3 billion in credit assistance to help finance nearly \$20 billion for water infrastructure while creating approximately 49,000 jobs and saving ratepayers over \$4 billion.

### Background on WIFIA

Established by the Water Infrastructure Finance and Innovation Act of 2014, the WIFIA program is a federal loan and guarantee program administered by EPA. WIFIA’s aim is to accelerate investment in the nation’s water infrastructure by providing long-term, low-cost supplemental credit assistance for regionally and nationally significant projects. The WIFIA program has an active pipeline of pending applications for projects that will result in billions of dollars in water infrastructure investment and thousands of jobs.

For more information about the WIFIA program’s accomplishments through 2020, visit: <https://www.epa.gov/wifia/wifia-annual-report>.

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