

WAUKESHA WATER PROJECT

Tariffs make steel unlikely option for lake pipes

With costs up as much as 30%, utility leaning toward more common materials

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WAUKESHA — Rising prices brought on by U.S.-imposed steel tariffs mean the pipelines used to carry Lake Michigan water to and from Waukesha aren't likely to be made from the metal, Waukesha Water Utility General Manager Dan Duchniak said Monday.

But the situation could actually end up saving the utility money in the long run.

Waukesha aldermen voted in December to approve a 40-year con-

tract for the purchase of Lake Michigan water from Milwaukee.

The deal allows Waukesha to draw up to 8.2 million gallons of Lake Michigan water per day, but to get the water from Milwaukee to Waukesha — and return the treated water back to the lake via the Root River — the utility must build 35-40 miles of pipeline.

Spiking prices

Looking ahead to next year, when the utility hopes to get the permits for those pipelines,

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Pipes

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engineers have been considering what materials to include as possible options for them.

While ductile iron is the most common material used in water pipes, Duchniak said the utility wanted other options for pipeline material — such as prestressed concrete and fiberglass — to create more interest in the project, and make the bids more competitive.

The utility had been considering including steel in that mix of options, Duchniak said, when the ballooning prices for the commodity made them take a step back.

“With the tariffs we have seen an increase of about 25 to 30 percent in the cost estimates of the pipe, and that basically tipped the scales to where we are not considering it anymore,” he said.

No setbacks

The situation hasn't created any real glitches, Duchniak said, because the utility never considered steel to be the ideal option for the pipeline anyway.

“It was on the edge of the size of where it would be cost-effective (for the pipelines),” he said. “And we don't have any steel pipes in our system currently, so we would have to train our guys how to maintain it. And if we can't train, we have to hire.”

Designing for a steel

pipeline was also expected to cost the utility close to \$1 million, Duchniak added, so not hiring an engineer to do that work saves the utility money on the front end.

“With the ductile iron pipe, and the concrete pipe, and potentially fiberglass pipe (options), we'll generate enough competition that we're not worried about getting good pricing. And we eliminate all those concerns with regards to steel,” Duchniak said. “We are trying to be cost effective for our customers.”

If steel prices suddenly plummet, the utility could always ask for contractors to give them a price on a steel pipeline as an alternative bid, he noted.

Pipeline construction is scheduled to begin in late 2019 or early 2020.