

From the Milwaukee Business Journal:

<http://www.bizjournals.com/milwaukee/news/2016/02/26/streetcar-budget-sheds-6-5-million-from-wec-energy.html>

Streetcar budget sheds \$6.5 million from WEC Energy utility relocation costs

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The city of Milwaukee and We Energies' parent company shaved \$6.5 million in utility relocation costs off the budget of the downtown streetcar project.

That savings means it will cost about \$15 million to move **WEC Energy Group Inc.**'s steam tunnels and power and gas lines for the project, said Ashley Booth, associate vice president-planning and technical services director at HNTB Corp., the city's project manager on the streetcar. The relocations were a main question raised by critics of the project, and arguments over whether the city or private utility companies will pay the cost resulted in a lawsuit.

According to a Milwaukee County Circuit Court ruling earlier this month, the city will pay the bill to relocate utility lines. Milwaukee officials already budgeted about \$21.5 million for utility relocations through two tax incremental financing districts. That covers costs on the 2.1-mile initial downtown loop the streetcar. The city also plans a spur that would run to the downtown lakefront. Those two phases will cost about \$128 million.

We Energies owns the bulk of the private utility lines that must be moved for



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Rendering of the Milwaukee streetcar to be manufactured by Brookville Equipment Corp.

the project. The city also is working with telecommunications companies. Their relocations were estimated to cost \$1 million to \$2 million, Booth said.

Whether the \$6.5 million reduction means more money for other parts of the streetcar system, or a lower project budget, has not been determined, Booth said.

“It’s really too early to say,” Booth said. “We haven’t started construction.”

The city is preparing to bid out the contract for the streetcar’s mainline next month and award a contract in May. Construction could start in July or August, Booth said.

The utility relocation savings is the result of coordination between the utility and streetcar project team. Engineers adjusted the streetcar route and made smaller modifications to avoid We Energies’ underground lines. The city, for example, moved a track that was planned to run on Van Buren Street. It instead will run a block west on Jackson Street.

“There were some major steam facilities on Van Buren Street we were trying to avoid,” Booth said.

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