

## WATER & ENVIRONMENTAL PROGRAMS OVERVIEW

### USDA RURAL DEVELOPMENT

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## RURAL DEVELOPMENT MISSION

Rural Development targets Federal assistance to rural communities to help them develop community facilities and infrastructure to improve the quality of the lives of rural Americans.

### Active Water and Waste Disposal Programs

- ◆ WWD Direct Loan and Grant Program (7 CFR 1780 & 1782)
- ◆ WWD Guaranteed Loan Program (1779)
- ◆ Emergency Community Water Assistance Grants Program (ECWAG) (1778)



### Active Water and Waste Disposal Programs (Cont.)

- ◆ Household Water Well System Grant Program (HWWS) (1776)
- ◆ Revolving Fund Program (1783)
- ◆ Technical Assistance and Training (TAT) and Solid Waste Management (SWM) Grant Program (1775)

### WEP Loan and Grant Regulations Website

● <http://www.usda.gov/rus/water/regs.htm>

### PROGRAM SPECIFICS: WATER AND WASTE DISPOSAL





## Water/Waste Disposal

### Eligible Applicants:

- Towns & Cities (Less than 10,000 population or larger serving a rural area)
- Other Public Entities (Counties, Utility Districts)
- Non – Profit Organizations (Water Associations)
- Federally-Recognized Indian Tribes

## RURAL AREAS



10,000 or less w/in  
incorporated area and any  
unincorporated area  
regardless of population



## Water/Waste Disposal

### Eligible Projects:

- Must serve a rural area.
- Construct, improve, or expand rural water, sewer, solid waste, or storm drainage facilities.



## Water/Waste Disposal

### Eligible Purposes:

- New construction (new water or sewer system and/or components such as well, lagoon, storage tank, distribution/collection lines, pumps, etc.)
- Replace/upgrade existing components
- Extend existing system to serve new customers



## Water/Waste Disposal

### Eligible Purposes (continued):

- Fees (engineering, legal, environmental, etc.)
- Solid waste and storm water drainage projects are also eligible, but are prioritized below drinking water and sewer



## Water/Waste Disposal

### Reserve Requirements:

- Debt Service: Amount equal to one annual installment, accumulated monthly until total reached (1/10 annually for 10 years)
- Short-Lived Assets: List and amounts provided by project engineer with PER



## Water/Waste Disposal

### Direct Loan Terms:

- Non-profits – up to 40 years
- Public bodies – up to 40 years



## Water/Waste Disposal

### Direct Loan Current Interest Rates: (July 1 – September 30, 2009)

- 2.625 % (poverty line)
- 3.500 % (intermediate)
- 4.375 % (market)

Ref: <http://www.usda.gov/rus/water/int-rate.htm>



## Water/Waste Disposal

### Grants:

- Maximum Grants – 75%, 45%
- Limited by MHI, O&M expenses, and debt service/reserve
- May be limited to availability of funds
- State allocations reflect current N/O policy of max grant 30%



## Water/Waste Disposal

### Funding Availability:

FY 2009 and 2010 Regular Allocation  
+  
2009-2010 ARRA Allocation  
=  
Plenty!  
(\$50,000,000+)



## Water/Waste Disposal

### Application Process:

- Applications processed and serviced in RD Area Office
- No application deadline; aps received all year and funded first-come, first-served
- RD FY Oct - Sept
- Funding selections made in State Office, or National Office if over \$5 million

## Emergency Community Water Assistance Grants (ECWAG)

- ◆ 7 CFR 1778
- ◆ Significant decline in quantity or quality of water supply
- ◆ Meet SDWA standards
- ◆ Project must be tied to an emergency as defined in 1778 (drought, earthquake, flood, chemical spill, etc.)

## Emergency Community Water Assistance Grants (ECWAG)

### Examples of Eligible Purposes:

- ◆ New waterlines or extensions
- ◆ Repairs / significant maintenance to existing system
- ◆ New wells, treatment plants, etc.
- ◆ Equipment purchase
- ◆ Eligible costs incurred within 6 months of application to correct emergency situation
- ◆ Legal, engineering, etc., fees

## Emergency Community Water Assistance Grants (ECWAG)

### Maximum Grants:

- ◆ **Not to exceed \$500,000** – for alleviating a significant decline in quality or quantity occurring within two years of application, or attempting to avoid a significant decline expected within one year of application
- ◆ **Not to exceed \$150,000** – for repairs or significant maintenance to remedy acute shortage or imminent decline in quality or quantity
- ◆ Grants are made for 100% of eligible project costs

## Household Water Well System Grant Program

- ◆ 7 CFR 1776
- ◆ National allocation of \$993,000 for FY 2009
- ◆ NOFA in spring (April 29, 2009)
- ◆ Grant(s) awarded to private, non-profit organization to establish a revolving loan program

## Household Water Well System Grant Program

### Eligible grant purpose:

- Revolving loan fund to homeowners for the construction, refurbishing, and servicing of individual household water systems in rural areas that will be owned by the homeowner.

## Household Water Well System Grant Program

### Terms of the Loan:

- 1% Interest Rate
- Maximum 20 year term, but should be as short as possible based on ability to repay
- Maximum loan per household is \$11,000

## CONTACT INFORMATION

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QUESTIONS?

