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Kentucky—Rural Utilities Service

# Regional Collaboration

## Regional Wastewater Authority To Help Meet Growing Need In Eastern Kentucky

### Outline Of Need:

Stanton and Clay City have existing wastewater treatment plants that are operating under enforcement actions from the Kentucky Environmental and Public Protection (EPP) Cabinet. Both plants have wastewater flows that exceed rated treatment capacity.

### How Rural Development Helped:

A Rural Development WEP loan of \$4.9 million and grant of \$1.423 million will help fund establishment of a regional wastewater system for Stanton and Clay City in Powell County. The low-interest loan will be repaid over 40 years at 2.5 percent to keep costs manageable for users. Other funding includes a \$2.5 million EPA grant, \$2 million CDBG grant, \$600k ARC grant and \$500k KIA grant.



Stanton Mayor Dale Allen (right) is joined Clay City Mayor James Caudill (center) and U.S. Rep. Ben Chandler to announce the creation of a regional wastewater authority in Powell County.

### The Results:

Rather than continue operating two treatment plants, local officials agreed to expand and upgrade the Stanton facility to serve both areas and decommission the plant in Clay City. Improvements at the Stanton treatment plant include

increasing processing capacity from 460,000 gallons per day to more than 1.4 million gallons per day; upgrading the existing pump station; and construction of a building to house administration, laboratory and electrical services. It also includes installation of a major sewage pumping station at Clay City that will convey collected wastewater to Stanton.

The enforcement actions taken by the Kentucky EPP Cabinet have made it nearly impossible for local leaders to bring new employers into the county as the existing sewer infrastructure will not support growth or additional sewage flow. Combining the two systems will eliminate existing problems and make the operations more efficient, cost-effective and allow for economic growth and increase the potential for jobs creation.

Once the project is complete, the treatment plan will eliminate current enforcement actions and improve wastewater service for its 1,500 residential customers and 219 commercial customers.

## Fast Facts

**Program:** Water and Environmental

**Investment:** \$4.9 million loan & \$1.423 million grant

**Partners:** Stanton, Clay City, USDA, EDA, CDBG, ARC and Kentucky Infrastructure Authority

**Congressional District:** Ben Chandler (KY-6)

### Demographics

- Persistent poverty county
- 1,500 residential & 219 commercial customers

### Impact:

- Elimination of State Environmental enforcement actions
- Improved capacity for economic development

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April 2012