



Committed to the future of rural communities.

RURAL UTILITIES PROGRAMS

WATER AND WASTE DISPOSAL LOAN AND GRANT PROGRAM

The USDA Rural Development administers a water and wastewater loan and grant program to improve the quality of life and promote economic development in rural America. At the State and local levels, the program is administered by field offices of Rural Development.

Water & Waste Disposal Loans

The purpose of this program is to develop water and waste disposal systems, including solid waste disposal and storm drainage, in rural areas and towns with a population of 10,000 or less. Funds are available to public entities, such as municipalities, counties, special-purpose districts, and Indian tribes. In addition, funds may be made available to corporations operated on a not-for-profit basis. Priority will be given to public entities in areas with less than 5,500 people to restore a deteriorating water supply, or to improve, enlarge, or modify a water facility or an inadequate waste facility. Also, preference will be given to requests which involve the merging of small facilities and those serving low-income communities. In addition, applicants must:

1. Be unable to obtain needed funds from other sources at reasonable rates and terms.
2. Have legal capacity to borrow and repay loans, to pledge security for loans, and to operate and maintain the facilities or services.
3. Be financially sound and able to manage the facility effectively.
4. Have a financially sound facility based on taxes, assessments, revenues, fees, or other satisfactory sources of income to pay all facility costs including operation and maintenance, and to retire the indebtedness and maintain a reserve.

Water or waste disposal systems must be consistent with any development plans of the State, multi-jurisdictional area,

counties, or municipalities in which the proposed project is located. All facilities must comply with Federal, State, and local laws including those concerned with zoning regulations, health and sanitation standards, and the control of water pollution.

Water & Waste Disposal Grants

The purpose of this program is to reduce water and waste disposal costs to a reasonable level for facilities serving the most financially needy communities/users of the system. Grants may be made, in some instances, up to 75% of eligible project costs. Eligible applicants are the same as for loans.

Water and Waste Disposal Loan & Grant Funds May Be Used To:

1. Construct, repair, improve, expand, or otherwise modify rural water supply and distribution facilities including reservoirs, pipelines, wells, and pumping stations.
2. Acquire a water supply or a water right.
3. Construct, repair, improve, expand, or otherwise modify waste collection, pumping, treatment, or other disposal facilities. Facilities to be financed may include such items as sewer lines, treatment plants, stabilization ponds, storm sewer facilities, sanitary landfills, incinerators, and necessary equipment.
4. Pay necessary fees such as legal and engineering connected with development facilities.
5. Pay other costs related to the development of the facility including the acquisition of rights-of-way and easements, and the relocation of roads and utilities.

Interim commercial financing will normally be used on all projects during construction, and Rural Development funds will be available when the project is completed. If interim financing is not available at reasonable rates and terms, multiple advances of Rural Development funds may be made as construction progresses.

What Are The Terms?

The maximum term on all loans is 40 years. However, no repayment period will exceed any statutory limitation on the organization's borrowing authority nor the useful life of the improvement or facility to be financed.

What Is The Interest Rate?

Interest rates are set quarterly by Rural Development and depend on the median household income of the service area of the project.

What Security Is Required?

All loans will be secured to adequately protect the interest of the Government. Bonds or notes pledging taxes, assessments, or revenues may be accepted as security if they meet statutory requirements. A mortgage may also be taken on the organization's facilities when State laws permit.

Technical Assistance & Training Grants

The purpose of the TAT Grant Program is to make a grant to a nonprofit organization to provide technical assistance and/or

training to associations located in rural areas and to cities and towns with a population of 10,000 or less. Assistance may be provided to identify and evaluate solutions to water and waste disposal problems, to improve the operation and maintenance of existing water and waste disposal facilities, and to assist associations in preparing applications for water and waste disposal facilities. Preapplications must be filed between October 1st and December 31st each fiscal year.

Solid Waste Management Grants

With this program, grants are made to public and private nonprofit organizations to provide technical assistance and/or training to associations located in rural areas to assist cities and towns with a population of 10,000 or less to reduce or eliminate pollution of water resources and improve planning and management of solid waste facilities. Assistance may be provided to enhance operator skills in operations and maintenance, identify threats to water resources and reduce the solid waste stream. Preapplications must be filed between October 1st and December 31st each fiscal year.

Rural Water and Sewer Circuit Rider Technical Assistance

The Rural Water Circuit Rider Technical Assistance provides on-site technical assistance to help assure cost effective operation of rural water and sewer systems. USDA Rural Development has assisted rural water and sewer systems - via contracting - with day-to-day operational, financial, and management problems. The assistance is provided at no charge and may be requested by officials of rural water and sewer systems or by Rural Development personnel. It compliments supervisory assistance provided by Rural Development personnel.

Applications

Information about the water and waste disposal programs as well as applications for financial assistance can be found at the Rural Development Offices. The office staff will be glad to discuss services available from the Agency, explain application procedures and give advice on how to assemble information to determine engineering feasibility, economic soundness, cost estimates, organization financing and management matters. These offices are usually listed in local telephone directories under U.S. Department of Agriculture. If financing is provided, Rural Development will also make periodic inspections to monitor project construction. All applications are considered without regard to race, color, religion, sex, national origin, age, marital status, or physical or mental handicap (provided the applicant has the capacity to enter into a legal contract) of the members of the groups applying for assistance, and service must be extended on the same basis.

For More Information

For more information contact your local USDA Rural Development Office or the USDA Rural Development State Office at:

USDA Rural Development
Attn: Community Program Division
Federal Building, Room 152
100 Centennial Mall North
Lincoln, NE 68508-3888
Phone Number: (402) 437-5556 (voice)

National Office Web site: <http://www.rurdev.usda.gov/rus>
Rural Development Toll Free: (800) 670-6553
Nebraska Rural Development Web site: <http://www.rurdev.usda.gov/ne>
Nebraska State Office Telephone Number: (402) 437-5551
Nebraska State Office Facsimile Number: (402) 437-5408
Nebraska State Office TDD Number: (402) 437-5093

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