USDA/Rural Development

ٍ Rural Utilities Service

ٍ Water & Environmental Programs
Types of Eligible Projects

- Drinking Water Facilities
- Sanitary Sewer Facilities
- Storm Water Drainage Facilities
- Solid Waste Disposal Facilities
Typical Drinking Water Projects

- New Water Systems (Distribution and/or Treatment Facilities)
- Water Lines Extensions
- Improvements to Existing Distribution and/or Treatment Facilities
- Water Storage Facilities (Tanks and/or Reservoirs)
Typical Sewer Projects

- New Sewer Systems (Collection and/or Treatment Facilities)
- Sewer Line Extensions
- Improvements to Existing Collection and/or Treatment Facilities
Typical Solid Waste Disposal Projects

- New Landfills
- Purchase Trash Trucks
- Construct Transfer Stations
- Construct Convenience Centers
Eligible Applicants

Public Bodies:

- Counties
- Towns & Cities
- Water & Sewer Districts
- Water & Sewer Authorities
- Metropolitan Sewerage Districts
- Sanitary Districts
Eligibility Requirements

Must serve rural area - any area not in a city or town with a population in excess of 10,000 people according to 2000 US Census

Must not be able to finance the proposed project from own resources and/or from commercial sources at reasonable rates and terms

Must have the legal capacity and financial ability to borrow, give security, and repay any debt
Eligibility Requirements Con’t

- Applicant must be financially sound and have a tax collection rate of 90% or greater

- Water and sewer facilities to be constructed must be consistent with appropriate State, County, and local development plans

- Applicant may arrange for a third party to operate, maintain, or manage the system/facility by a contract or management agreement
Interest Rates
(subject to change Oct. 1, Dec. 1, Apr. 1 & July 1)

» **Poverty** – 2.250%
  
  MHI below poverty or 80% of State non-metropolitan MHI and a health and sanitary problem exists

» **Intermediate** - 3.000%

  MHI is 80-100% of State non-metropolitan MHI without any health issues

» **Market** – 3.750%

  MHI exceeds 100% of State non-metropolitan MHI
Terms

• Repayment period
  ➣ 40 years or useful life of facility
  ➣ Principal payments may be deferred up to 2 years
Debt Security

• **Public Body**
  - General Obligation Bond (Pledge of taxes)
  - Revenue Bond (Pledge of Revenues)
  - Combined General Obligation and Revenue Bonds (Pledge of taxes and revenues)
  - Installment/Purchase (Only if loan amount is $200,000 or less)
WEP FY 2015 Funding (Proposed)

- Loan - $48,000,000
- Grant - $14,000,000
NC Non-metropolitan Median Household Income

$45,444
Grant Determination

- MHI of Proposed Service Area
- Health or Sanitary Issue
- Rates Compared to Similar Systems
- Existing User Rates as a % of MHI
- Proposed User Rates as a % of MHI
- Availability of Grant Funds
For additional information about the USDA Water & Environmental Program

National Website:  

NC State Website:  
Questions????
Contact Information:

Dennis R. DeLong
4405 Bland Rd.
Raleigh, NC 27609
919-873-2046
dennis.delong@nc.usda.gov
Thank You!

Committed to the future of rural communities.