

THE BOND BUYER

Why USDA is making \$4B available for rural water infrastructure

By

Lynn Hume

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WASHINGTON – The U.S. Department of Agriculture has announced that \$4 billion of grants and low-cost loans are available for the improvement or development of rural water infrastructure.

Rural communities and water districts can apply online for the funding assistance to maintain, modernize or build water and wastewater programs. They can visit the interactive [RD Apply](#) tool, or they can apply through one of USDA Rural Development's [state or field offices](#).

The USDA grants and loans are being made available through its [Water and Waste Disposal Loan and Grant](#) LINK program, which can be used to finance drinking water, storm-water drainage and waste disposal systems for rural communities with 10,000 or fewer residents.

USDA is committed to being a strong partner to rural communities in building their futures," said Ann Hazlett, assistant to the Secretary for Rural Development. "All people – regardless of their zip code – need modern, reliable infrastructure to thrive, and we have found that when we address this need, many other challenges in rural places become much more manageable."

The USDA released a [list](#) of recent recipients of \$164 million of loans and grants from the USDA for 54 projects in 24 states across the nation.

These include the village of Greenvew, Ill., which received a \$4.9 million loan and a \$3.7 million grant to build a wastewater collection and treatment facility. The new system, which will serve the town's 778 residents, is expected to alleviate health hazards due to private septic or aeration systems that discharge effluent into drainage fields, causing raw sewage backups in homes during major rainfalls.

Also included is Wadesboro, N.C., which has a population of 5,841. Wadesboro received a \$606,000 loan and an \$815,000 grant to improve its water distribution

system. The project will serve 2,012 residential users, 84 commercial users, eight industrial users and five institutional users, the USDA said.

In addition, the Wheelers Point Sanitary District in Baudette, Minn., received a \$300,000 loan and a \$638,000 grant to construct a new sewer system to replace residential and business septic systems. If the septic systems failed, the nearby river and lake would become contaminated.

The American Valley Community Services District obtained a \$10.5 million loan and a \$2.3 million loan to upgrade a wastewater treatment plant for Quincy and East Quincy in California. The district recently became subject to a cease and desist order because its wastewater discharges into Spanish Creek no longer met state quality standards. The project will serve about 4,217 residents.

Congress provided an historic level of funding for water and wastewater infrastructure in fiscal 2018, according to the USDA. The 2018 omnibus spending bill included \$5.2 billion for USDA loans and grants, up from \$1.2 billion in fiscal 2017.

That bill also directed USDA Secretary Sonny Perdue to make investments in rural communities with the greatest infrastructure needs.