



Rural Utilities Service Water and Environmental Programs

2022 Onsite Wastewater Mega Conference

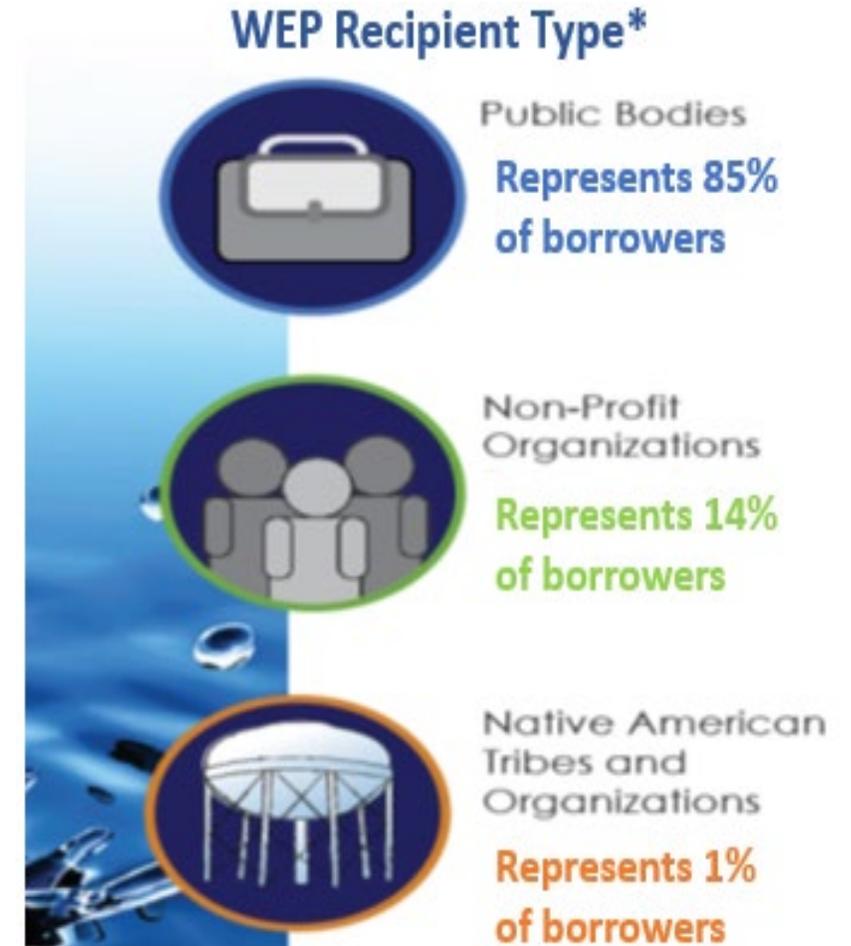


General Overview

Water and Environmental Programs (WEP) Program Overview

Water and Waste Disposal Programs

- WEP finances water, sewer and solid waste utilities to provide affordable services to rural communities with populations of 50,000 or less. WEP invested \$2 billion* in rural communities in FY 2022 to impact 2.48 million rural residents**. (*Technical assistance not included. **Construction programs only.)
- WEP can finance the acquisition, construction or improvement of:
 - Drinking water sourcing, treatment, storage and distribution
 - Sewer collection, transmission, treatment and disposal
 - Solid waste collection, disposal and closure
 - Storm water collection, conveyance and disposal
- WEP is administered in partnership with 47 State Offices and hundreds of field offices throughout rural America.



Water and Environmental Direct Programs Fiscal Year 2022 Program Performance (ROI)

Population Served**	2.48M
New Connections Only**	14,014
Miles of Line Repaired, Replaced, Installed**	49,837
Projects Alleviating Health or Sanitary Issues**	395 of 544 (72.6%)
Leveraged Non-Federal Dollars (22.7%)*	\$454.18M
Leveraging Federal Funds (1.2%)*	\$24.19M
Total Federal and Non-Federal Leveraged Funds (23.9%)*	\$478.37M

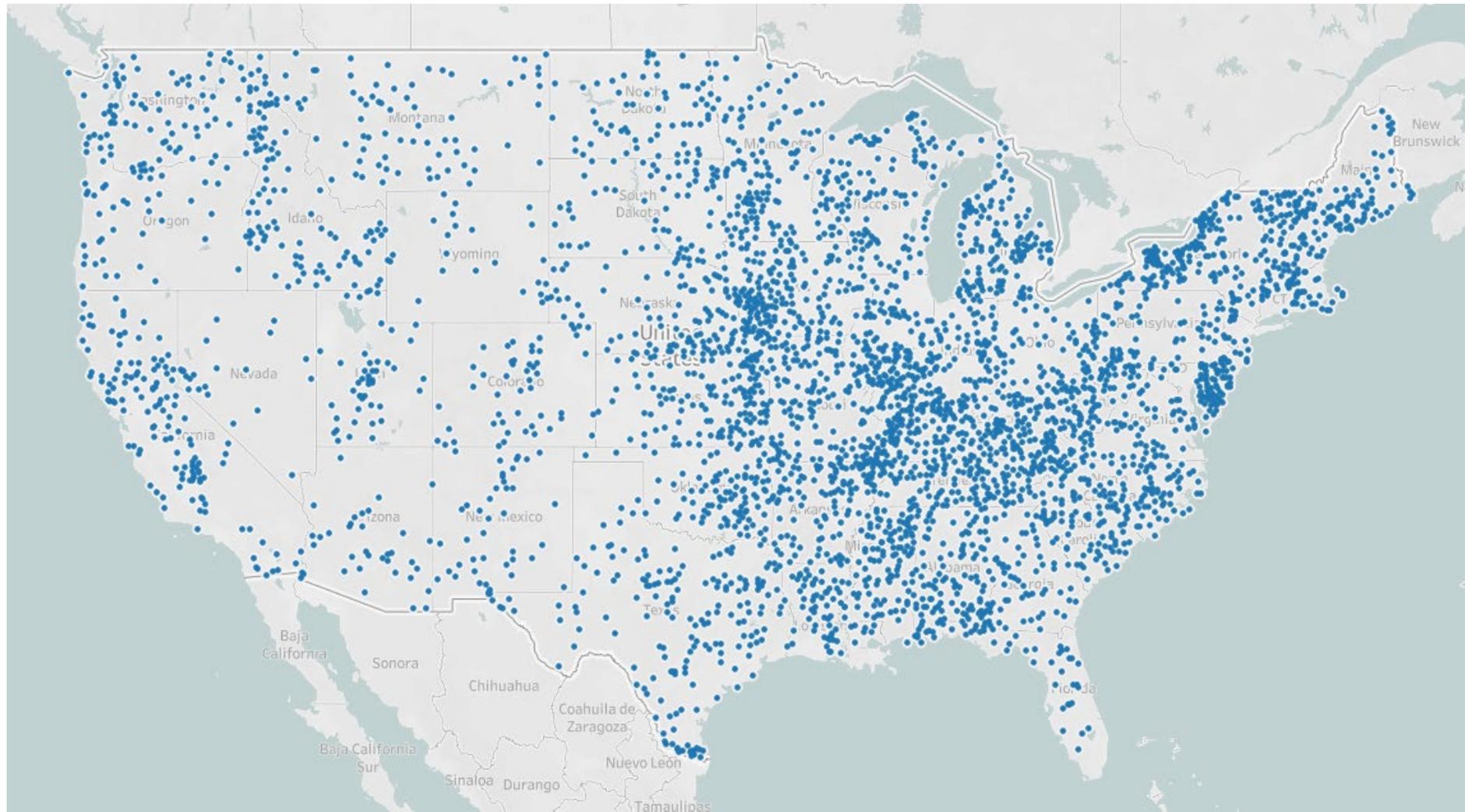
*Technical assistance not included.

** Construction programs only.

NOTE: WEP has no restrictions on whether WEP grants can be used as match for other Federal Grant Programs. However, WEP grants are limited to statutory authority or a determination of financial need, whichever is less. Grants cannot be used in conjunction with guaranteed loans.

CONACT, Section 306 (16) states: Grants under paragraph (2) of this subsection may be used to pay the local share requirements of another Federal grant-in-aid program to the extent permitted under law providing for such grant-in-aid program. Federal funds include EPA, HUD, IHS, etc.

USDA WEP Program Borrowers FY 2013 – FY 2022



WEP Water and Waste Disposal Direct Programs' Impact FY 2013 – FY 2022

- **2,033** counties served in all 50 states and 3 territories*
- **21,327,274** rural residents received new or improved water and waste disposal service**
- Rural communities served**:
 - 83% 5,000 or less population
 - 68% 2,500 or less population
 - 54% 1,500 or less population
 - 43% 1,000 or less population
- **7,898,990** households and businesses benefited by improved service**
- **Average** annual household income of population served = **\$36,678***
- **\$17.47 billion invested to build new or improved infrastructure***
 - 67% loan; 33% grant
 - 19.2% (\$3.36 billion) leveraged with other non-federal funding sources
 - \$140.13 million in Guaranteed Loans with private lenders (.8%)
 - \$373.24 million in Applicant Contribution (2.1%)
 - \$26.29 million in Project Tap Fees (.2%)
 - \$2.82 billion in Other Non-USDA Funding (16.1%)
- **\$333 million in technical assistance funds provided to rural communities**
 - 506,456 technical assistance visits

Programs Overview

Water and Waste Disposal Loans and Grants

- Funding to **construct, enlarge, or otherwise improve drinking water, sanitary sewage disposal, solid waste disposal, and storm water drainage facilities** to provide service to households and businesses in eligible rural areas. Also covers activities including soft costs that are related to the construction or improvements including:
 - Engineering, environmental, and legal fees
 - Land acquisition, water and land rights, permits and equipment
- Loan funds can also be used for:
 - Interest incurred during construction
 - Start-up operations and maintenance
 - Purchase of facilities to improve service or prevent loss of service
 - Refinancing of non-Agency debt in some situations, when it is a secondary part of the loan



Water and Waste Guaranteed Loans

Helps private lenders provide affordable financing to qualified borrowers to improve access to clean, reliable water and waste disposal systems for households and businesses in rural areas.

- **What are eligible uses of funds?**

Construct, enlarge, otherwise improve, or purchase and install equipment to operate, maintain, or protect facilities.

- **What is in an eligible area?**

Populations of 50,000 residents or less, based on the latest decennial census and not in the urbanized area contiguous to that city or town.

- **What is the maximum amount of a loan guarantee?**

The WEP loan guarantee percentage for Fiscal Year 2023 is 80%.

- **What are the loan terms?**

The lender, with Agency concurrence, will establish and justify the guaranteed loan term. The loan term will not exceed 40 years.

- **What are the interest rates?**

Interest rates are negotiated between the lender and borrower. May be fixed or variable. Variable rates may not be adjusted more often than quarterly.



Set-Asides and Other Funding

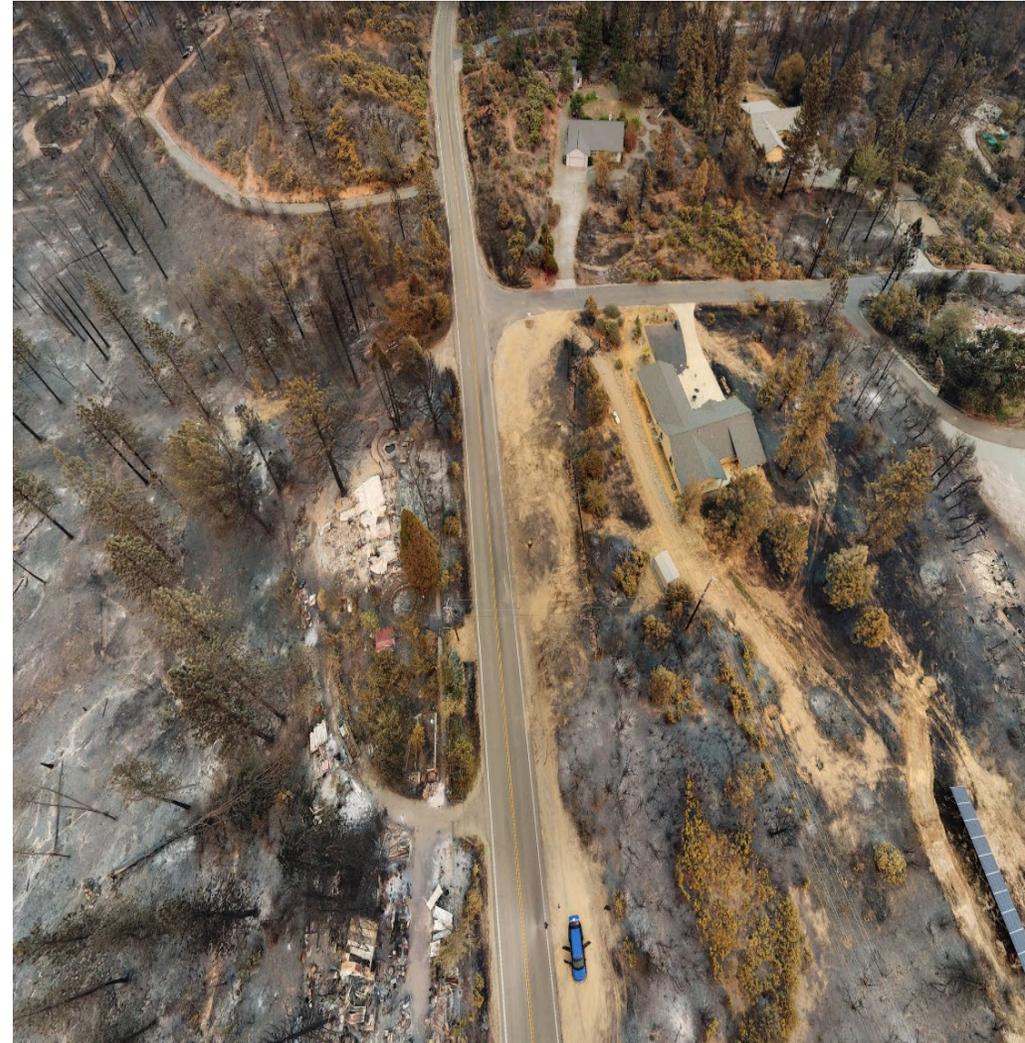
In addition to the Direct and the Guaranteed Programs, WEP has set-aside grants and special emphasis programs, such as:

- Capital Infrastructure Set-Asides:
 - Colonia Grants
 - Emergency Community Water Assistance Grants (ECWAG)
 - Native American Grants
 - Rural and Native Alaskan Villages
 - Rural Economic Area Partnership Grants (REAP)
 - Strategic and Economic Community Development Loans and Grants (SECD)
 - Supplemental Funding, such as Disaster Support Funding
- **Technical Assistance Programs:**
 - Revolving Funds Program Grants (RFP)
 - **Rural Decentralized Water System Grants (DWS)**
 - Solid Waste Management Grants (SWMG)
 - Technical Assistance and Training Grants (TAT)



Emergency and Imminent Community Water Assistance Grants (ECWAG)

- Emergencies and events such as drought, flood, earthquake, tornado, hurricane, disease outbreak, chemical spill, leak, seepage, and/or other disasters.
 - Program allows for PFAS/PFOS remediation.
- Water transmission line grants up to \$150,000 to construct waterline extensions, repair breaks or leaks in existing water distribution lines, and address related maintenance necessary to replenish the water supply
- Water source grants up to \$1,000,000 to construct a water source, intake or treatment facility
- Funding Levels
 - Funded through multiple accounts and can add monies based upon need.
 - FY 2022- \$35,000,000



Colonia and Native American Grants

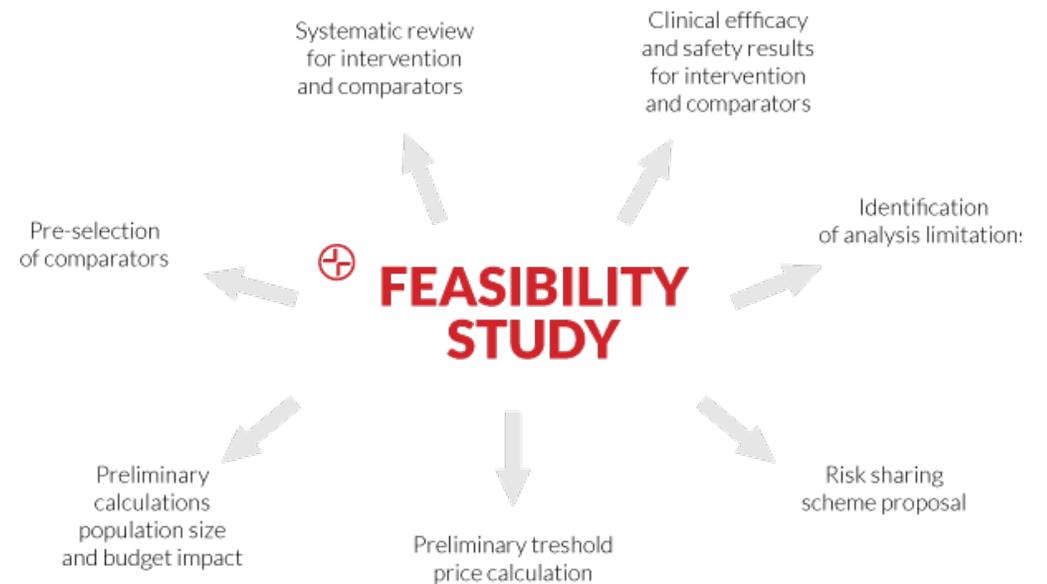
- Provides low-income communities, which face significant health risks, access to safe, reliable drinking water and waste disposal facilities and services.
- **Residents of the area to be served must face significant health risks due to a lack of access to, or use of adequate, affordable water or waste disposal.**
- **What may the funds be used for?**
 - Construction of basic drinking water and waste disposal systems, including storm drainage
- **Are matching funds required?**
 - Partnerships with other federal, state and local entities are encouraged; however, 100% grant may be offered in some circumstances if funds are available.
- Funding Levels - FY 2022- \$50,000,000



Pre-Development Grants

(Pre-Development Planning Grants (PPG) and Special Evaluation and Assistance for Communities and Households Grants (SEARCH))

- PPG: Assists financially distressed communities with a population of up to 10,000 with pre-development costs. Grants are up to \$30,000 with a 25% match.
- SEARCH: Assists financially distressed communities with a population of 2,500 or less with pre-development costs. Grants are up to \$30,000 and there is no match.
- Funds used to pay predevelopment planning costs, including:
 - Feasibility studies to support applications for funding water or waste disposal projects
 - Preliminary design and engineering analysis
 - Technical assistance for the development of an application for financial assistance



RD Apply What is it?

RDApply is an application intake system that allows you to apply for loans and grants for Rural Utilities Services (RUS) Programs. With RDApply, you can create an application, upload attachments, sign certifications, and draw service areas, to name a few features.

<https://rdapply.sc.egov.usda.gov/>



Rural Decentralized Water Systems (DWS) Grant Program

Program Overview

- Program is governed by 7 CFR 1776 and Section 306E of the Consolidated Farm and Rural Development Act
- Assists qualified non-profits establish a lending program for homeowners to assist with well/septic repairs and/or replacement
- Increases access to clean, reliable water for households in eligible rural areas
- Provided funds that may be used to construct, refurbish, and service decentralized water and wastewater systems

Rural Decentralized Water Systems (DWS) Grant Program

Additional Information Regarding the DWS Program:

- One of the most searched programs on www.rd.usda.gov
- Annual grant program
- Program is not designed for individual homeowners
 - Must work with the grant recipients
 - Applications can be found on www.grants.gov during grant application window

Rural Decentralized Water Systems (DWS) Grant Program

2018 Farm Bill Changes program changes implemented:

1. Maximum loan amount increased to 15K
2. Now able to fund decentralized wastewater systems in addition to wells
3. Income eligibility changed from 100% of median nonmetropolitan household income of the state to 60%
4. Ability to administer subgrants to decentralized water and wastewater system owners

Rural Decentralized Water Systems (DWS) Grant Program

Who Can Apply?

Nonprofits that have:

- Expertise and experience promoting the safe, productive use of individually-owned household water wells and decentralized systems
- Legal authority to act as a lender
- Sufficient expertise and experience in lending activities
- Financial, technical and managerial capacity to comply with relevant federal and state laws and regulations
- Has no delinquent debt to the Federal Government or no outstanding judgments to repay a Federal debt
- 10% matching funds is required

Rural Decentralized Water Systems (DWS) Grant Program

DWS Grant Program Loan Information:

- Maximum loan is \$15,000 for water and \$15,000 for wastewater
- 20-year maximum term
- Interest rate is 1%

Rural Decentralized Water Systems (DWS) Grant Program

DWS Grant Historic Program Levels

Fiscal Year	Funding Level
2017	\$900K
2018	\$1.1M
2019	\$2.3M
2020	\$6.4M
2021	\$6.0M

Rural Decentralized Water Systems (DWS) Grant Program

Grant Recipients

- Bolinas Community Land Trust (CA)
- Communities Unlimited (*7 states: AL, AR, LA, MS, OK, TN and TX*)
- Great Lakes Community Action Partnership (*5 states: IN, IL, MI, OH and WI*)
- Golden Triangle RC&D (GA)
- Living Better Tomorrow, Inc. (MI)
- Rural Community Assistance Corporation (*13 states: AL, AR, CA, CO, HI, ID, MT, NV, NM, OR, UT, WA and WY*)
- Seven Rivers RC&D (GA)
- Southeast Rural Community Assistance Project (*7 states: DE, FL, GA, MD, NC, SC, VA*)
- Water Well Trust, Inc. (*Nationwide*)

Rural Decentralized Water Systems (DWS) Grant Program

Bolinas Community Land Trust, CA, \$643,750:

Bolinas Community Land Trust whose primary goal is to serve rural Americans by making funds available to ensure wastewater services are safe and affordable. They anticipate 25 loans to property owners to upgrade their outdated or failing septic systems as to meet the current state of California Onsite Wastewater Treatment Systems (OWTS) standards.

Communities Unlimited, AR, \$50,000:

To assist 4-5 homeowners with the cost of constructing or rehabilitating their household water well or wastewater system loans across its 7-state target market (AL, AR, LA, MS, OK, TN, and TX) and their Southern Regional Partner of the Washington, D.C.-based Rural Community Assistance Partnership, Inc. (RCAP).

Great Lakes Community Action Partnership, OH, \$200,000:

They propose to assist 15 households throughout rural areas in Indiana, Illinois, Michigan, Ohio, and Wisconsin served by private wells and septic systems. Households with health-related contaminants will receive the highest priority to allow them to meet their safe drinking water and wastewater needs in the most affordable way possible.

Rural Decentralized Water Systems (DWS) Grant Program

Seven Rivers Research Conservation and Development, GA, \$200,000:

Provide 30-40 low interest loans to homeowners to repair or replace failing private water wells to improve drinking water quality or environmentally sound waste disposal systems. The loans will impact twenty (20) specific counties in Georgia.

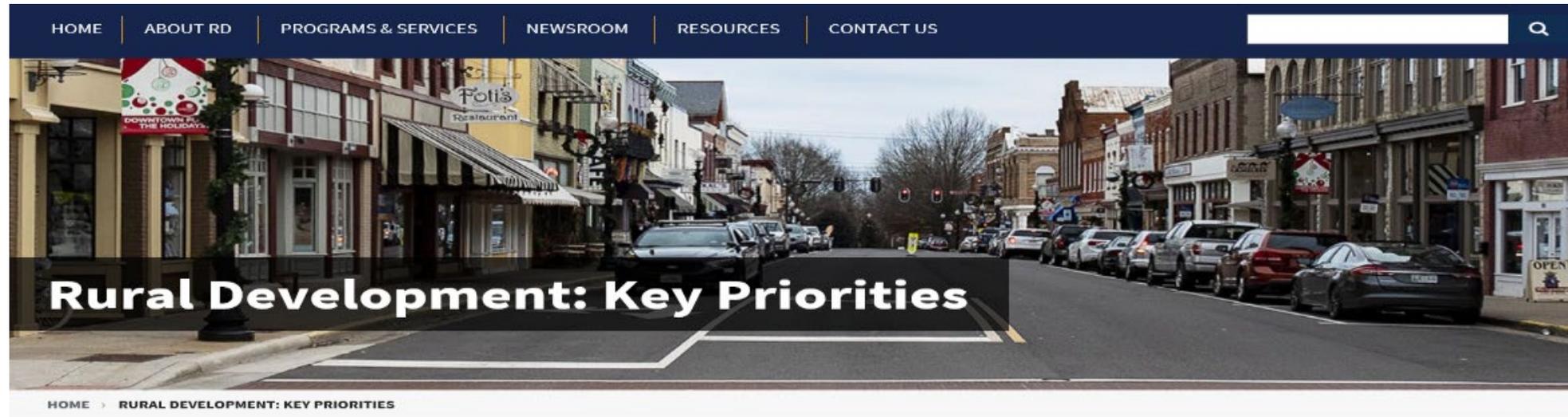
Southeast Rural Community Assistance Project, Inc., VA, \$1,000,000:

Deliver 65-80 loans to low-income individuals in small rural communities to secure clean, safe drinking water and environmentally sound wastewater treatment system to homeowners who lack indoor plumbing that will affect 7 states (DE, FL, GA, MD, NC, SC, VA).

Water Well Trust, NC, \$1,400,000:

Serve high-need, low-resource families in selected severely economically and disadvantaged rural areas across America. This will include both enhanced water wells and/or decentralized wastewater systems. At least 110 (80 wells will be drilled or rehabilitated and/or 30 wastewater systems installed).

RD Priorities: <https://www.rd.usda.gov/priority-points>



Rural Development Priorities

USDA Rural Development is incorporating key Biden-Harris Administration priorities into program scoring and associated funding announcements beginning with the fiscal year (FY) 2022 funding announcements. Many USDA Rural Development grant and technical assistance programs have the potential to support rural communities' economic development effort and maintain and improve a healthy rural population by leveraging funding assistance to key Administration priorities.

These priorities build upon RD's continuing commitment to serving traditionally underserved and economically challenged rural areas, such as Persistent Poverty Counties. Many RD programs will have a funding set-aside for areas of persistent poverty. These programs will be identified on the Priority Points Program Chart.

USDA Rural Development has identified three key priorities that will provide a pathway to facilitate economic growth for all rural Americans and is encouraging Applicants to consider projects that will advance the following three key priorities.

What are Priority Points?

Priority Points, also referred to as discretionary points, are additional points added to an established scoring criterion that USDA Rural Development uses to help determine which projects qualify for funding. Awarding extra points (i.e. priority points) raises a project's score, which in turn improves the chances of a project being scored high enough to warrant a funding award. The flexibility related to these kinds of points varies, depending on regulations language.

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WEP Programs

<https://www.rd.usda.gov/programs-services/water-environmental-programs>

WEP is administered in partnership with 47 State Offices and hundreds of field offices
<https://www.rd.usda.gov/about-rd/state-offices>

Thank you for all you do to support rural America!



Rural Development

www.rd.usda.gov

1 (800) 670-6553

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