RUS Supplies Tips for Systems Seeking Aid

by Kathy Jesperson
NDWC Writer/Editor

As infrastructure ages and populations increase, supplying safe drinking water becomes more and more of a challenge—especially when it comes to funding these projects.

Rural Utilities Service (RUS) loans and grants were once the only funding source to turn to when a drinking water system needed to make improvements. But now drinking water state revolving fund (DWSRF) loans are “the new kid on the block.”

Along with new loan money, privatization has found its way into the drinking water arena, creating complications where RUS loan or grant money was received to fund public systems.

Many communities have used RUS loans and grants to make needed upgrades and to build new facilities. And now that DWSRFs are available, these same communities can apply for this money to fund needed improvements.

According to Kimberley Roy, environmental protection specialist with the U.S. Environmental Protection Agency (EPA), the DWSRF program requires that applicants have a dedicated source of revenue or adequate security to cover a loan. State DWSRF programs differ in what they require of applicants, but most will require a first lien position in the event of default.

But what happens when you already have an outstanding RUS loan? The first thing you have to do is get “parity” from RUS. And you will probably want to start the process as early as possible.

How do I get parity?

“If a system comes to us and requests parity, we want to make it clear that it’s OK,” says Randy Plum, program director, West Virginia Rural Development office. “Parity allows another lender to hold the first lien position along with RUS when a borrower wants to issue new debt with a different lender. It gives the first lender security.

DWSRF Enters Fourth Year of Helping Water Systems

EPA Loan Program Makes Progress

by Mark Kemp-Rye
Water Sense Editor

Created by the Safe Drinking Water Act (SDWA) Amendments of 1996, the drinking water state revolving fund (DWSRF) was designed to help water utilities finance costs of protecting public health and complying with new regulations. The loans offer low interest rates to eligible systems, particularly for communities defined as “disadvantaged” by their state. (See sidebar on page 7 for more on DWSRF eligibility requirements.)

Overseen by the U.S. Environmental Protection Agency (EPA), the funds themselves are administered by each individual state. EPA awards grants to states to establish revolving loan programs. After contributing at least a 20 percent match, a state can make loans from this fund to eligible community water systems.

Continued on page 4
Technology Information Available from NDWC

“Tech Briefs,” short fact sheets about drinking water treatment, have been a regular feature in the National Drinking Water Clearinghouse’s (NDWC) newsletter On Tap for more than three years. Aimed primarily for those working with small drinking water systems, these popular items are written by NDWC Technical Assistance Specialist Mohamed Lahlou, Ph.D. Titles currently available include:

- Tech Brief: Disinfection, item #DWBLPE47;
- Tech Brief: Filtration, item #DWBLPE50;
- Tech Brief: Corrosion Control, item #DWBLPE52;
- Tech Brief: Ion Exchange and Demineralization, item #DWBLPE56;
- Tech Brief: Organics Removal, item #DWBLPE59;
- Tech Brief: Package Plants, item #DWBLPE63;
- Tech Brief: Water Treatment Plant Residuals Management, item #DWBLPE65;
- Tech Brief: Lime Softening, item #DWBLPE67;
- Tech Brief: Iron and Manganese Removal, item #DWBLPE70;
- Water Conservation Measures Fact Sheet, item #DWBLPE74;
- Tech Brief: Membrane Filtration, item #DWBLPE81;
- Tech Brief: Ozone, item #DWBLPE84
- NDWC Consumer Confidence Report Insert, item #DWBLPE83; and
- Tech Brief: Treatment Technologies for Small Drinking Water Systems, item #DWP-SPE82.

Copies are available free of charge; however, postal charges may be added. To order, call the NDWC at (800) 624-8301 or (304) 293-4191. You may also order via e-mail at ndwc_orders@mail.estd.wvu.edu. Tech Briefs also may be downloaded from the NDWC Web site located at www.ndwc.wvu.edu.

RUS Loan Rates Increase Slightly

All three of the interest rates for Rural Utilities Service (RUS) water and wastewater loans increased by 0.25 percent this quarter.

RUS interest rates are issued quarterly at three different levels: the poverty line rate, the intermediate rate, and the market rate. The rate applied to a particular project depends on community income and the type of project being funded.

To qualify for the poverty line rate, two criteria must be met. First, the loan must primarily be used for facilities required to meet health and sanitary standards. Second, the median household income of the area being served must be below 80 percent of the state’s nonmetropolitan median income or fall below the federal poverty level. As of April 1, 1999, the federal poverty level was $16,700 for a family of four.

To qualify for the intermediate rate, the service area’s median household income cannot exceed 100 percent of the state’s nonmetropolitan median income.

The market rate is applied to projects that don’t qualify for either the poverty or intermediate rates. The market rate is based on the average of the Bond Buyer index.

The rates for the second quarter of fiscal year 2000 apply to all loans issued from January 1 through March 31, 2000, are:

- poverty line: 3.5 percent (up 0.25 from the previous quarter);
- intermediate: 4.625 percent (up 0.25 from the previous quarter); and
- market: 5.5 percent (up 0.25 from the previous quarter).

RUS loans are administered through state Rural Development offices, which can provide specific information concerning RUS loan requirements and applications procedures. For the phone number of your state Rural Development office, contact the National Drinking Water Clearinghouse at (800) 624-8301 or (304) 293-4191. The list is also available on the RUS Web site at www.usda.gov/rus/water/states/usamap.htm.
As with many offices around the country, there has been some debate among the staff of the National Drinking Water Clearinghouse (NDWC) as to whether the new millennium begins on January 1, 2000, or January 1, 2001. My view is that the year 2000 is similar to the position of noon during the day. Noon is neither morning nor afternoon, Y2K is neither 20th Century nor 21st Century, but a little of both—a transition. Whatever the case, we will no longer be writing “19” as part of the date.

With this issue of Water Sense, we depart somewhat from our usual form. Instead of having two or three longer features interspersed with a few shorter items, this edition is composed almost entirely of smaller articles. We hope that you find these myriad pieces of information useful in running your drinking water system.

With the passage of the 1996 amendments to the Safe Drinking Water Act (SDWA), the newly-created drinking water state revolving fund (DWSRF) joined existing Rural Utilities Service (RUS) loans and grants in providing much-needed funding to small communities. The new loan fund also meant that it was easier for small communities to get loans from two (or more) sources. In her article “RUS Supplies Tips for Systems Seeking Aid,” Kathy Jesperson, NDWC writer/editor, looks at requirements for systems that have an RUS loan and are seeking additional funding through the DWSRF.

As the DWSRF enters its fourth year of existence, I take a look at the impact it is having around the country in the article “EPA Loan Program Makes Progress.” As of September 1999, all states have active DWSRF programs and more than $637 million has been invested in small systems.

On page 8 of this issue, you will find a summary of federal funding programs for water and wastewater projects. And, on page 12 is an overview of the various free publications available from the Environmental Services and Training Division at West Virginia University designed to help small communities.

On behalf of the NDWC, I wish you all the best in the coming year. $
“For example, if a system builds a new facility with an RUS loan, and then later wants to upgrade the facility using a DWSRF loan, they will have to request parity from RUS,” he explains. “To receive parity, they must prove that they have the resources to repay both loans. If they’re spending everything they make, obviously they’re not going to be a good risk.”

Plum says that the first thing an applicant must do is fill out a standard request that lets RUS know that there is a need for parity. “They should note any specific recommendations and make sure the application is complete,” notes Plum.

Balance sheets and financial statements must also be submitted before parity is awarded. “All of these statements must be certified,” explains Plum. “And they must include an overview of the applicant’s financial position, such as income and debts. Of course, they have to be making enough money to repay all of their debts, including any new ones.

“There also are certain coverage requirements that applicants must provide before they assume additional bond debt,” he continues. “Applicants must provide information that an RUS reserve account has been set up. This account must cover 115 percent of the loan.”

Are there other requirements?

Loans are issued in bonds. “When a public body assumes debt, it does so through bonds.” Plum explains. “Bonds are like promissory notes. They are a promise to repay debt.”

In addition, before parity is granted, an environmental review will be requested. And it must be complete before the application process can continue. “This is just an assurance measure,” says Plum. “However, the review must be conducted by an environmental engineer.”

Plum also suggests that the environmental review be conducted prior to approaching RUS with a parity request. This will ease the process, and enable the system to expedite an answer from RUS.

“Very soon we will be going in the other direction,” says Plum. “Right now, systems are coming to us and requesting parity with new lenders. But in a few years, we’ll be asking for parity from these other lenders. Then we’ll see how they handle things.”

What about privatization?

Besides privatization, however, privatization has brought new concerns to the table. Privatization is typically when a private firm buys a public facility or sets up a contract to operate and maintain the facility. While other examples of privatization exist, for RUS purposes, a public body must always maintain decision-making authority.

“Privatization issues are complicated and will eventually be settled in litigation,” says Plum. “However, RUS loans and grants were not designed to fund private entities. Once a private body takes over, RUS is eliminated as a funding source.

Located along the Kentucky border in the sparsely populated southern part of West Virginia, the Mingo County Public Service District has received loans from the Rural Utilities Service and the drinking water state revolving fund.
"If the contract prevents the system from terminating the contract, then the contract does not meet RUS requirements. "Lately, I’ve seen some O&M contracts that take complete control away from the owner of the facility, and essentially the owner can’t do anything about it," Plum notes. "If the owner holds an RUS loan, this could make him technically in default of his loan."

**What can I do?**

Plum suggests that water boards as well as system managers develop a sound financial management plan to ensure that grants and loans are handled properly. He suggests that these community officials:

- know who is in control,
- know who the employees are,
- prepare a written audit,
- create a financial progress report, and
- set up a reserve account.

**For more information about RUS loan and grant requirements, call the Rural Development office in your state. If you need help finding that number, please call the National Drinking Water Clearinghouse at (800) 624-8301 or (304) 293-4191. A list of state Rural Development Offices is also available on the RUS Web site at www.usda.gov/rus/water/states/usamap.htm.**

**USDA Assists American Indian Tribes**

There are 560 federally-recognized American Indian tribes in the U.S., including 227 Alaskan Native Villages (ANV)—each unique in culture, history, and governmental structure. More than 98 percent of American Indian and ANV water systems serve 3,300 or fewer customers.

While many communities minimize costs by joining with other systems, this is rarely an option because these water systems tend to be remote. Very often these systems are located in arid regions where water sources are difficult to obtain. Natural conditions, such as permafrost, can make construction very expensive.

These drinking water systems encounter the same problems as other small rural systems, and then some. The Indian Health Service reports that 31.6 percent of Indians living on or near reservations had incomes below the poverty level, as compared with a 13.1 percent poverty rate for all races, based on 1990 census figures. The Bureau of Indian Affairs states that according to 1995 labor force statistics, unemployment for these individuals was 35 percent.

The U.S. Department of Agriculture (USDA) has dramatically increased investment in tribal water and waste programs under its Rural Utilities Service (RUS) Water 2000 program, providing more than $46 million in loans and grants in four fiscal years through Water 2000—compared with an average of $4.8 million annually in the four years previous. Water 2000 confronts the difficult challenge of providing safe drinking water to individuals in disadvantaged rural communities—concentrating on remote, low income, and geographically challenging areas of the nation.

On July 12, John Romano, deputy administrator of Water and Environmental Programs for USDA’s RUS, announced approximately $211 million in loans and grants for rural projects in 40 states. Of the 106 sites selected, eight are American Indian reservations and four are ANVs. $
Loans made under the program can have interest rates between zero percent and market rate, with repayment terms of up to 20 years. As the loans are repaid, the monies can be loaned again to other systems, hence the term “revolving.”

Any system receiving a loan must demonstrate that it has the technical, financial, and management capacity to operate the system in the long term. (See the Fall 1998 issue of Water Sense for more about capacity development.) According to Kimberley Roy, environmental protection specialist with EPA, all of the states have new system capacity development programs in place as of the September 1999 deadline—thus avoiding any grant withholdings—and are now turning their attention to finalizing their capacity development strategies.

**What’s in it for small systems?**

Recognizing that small systems face unique challenges, the SDWA made provisions to help, including a requirement that at least 15 percent of the loan fund be used for systems serving fewer than 10,000 people. States may also use up to 30 percent of the grant to provide loans to “disadvantaged” communities, a designation that often includes many small systems.

Because the states have significant leeway in defining which communities are disadvantaged, small communities often receive attention they might not have had previously. In Georgia, for example, most of the projects on the first (fiscal year 1997) priority list were water utilities that served small communities.

“This program, and specifically the disadvantaged communities provision of this program, has allowed many rural communities in Georgia to finance the repairs of antiquated water systems,” says Greg Morgan, program manager, Georgia Environmental Facilities Authority.

Helping small systems remains a concern for EPA officials, according to Roy. She reports that, as of September 30, 1999, small systems have received a total of $637 million in loans. EPA Small Systems Coordinator Peter Shanaghan stresses this fact: “More than 75 percent of the loans made to date have been to systems serving fewer than 10,000 persons. Most importantly, the DWSRF promotes development of system technical, financial, and managerial capacity and this results in enhanced public health protection.” An additional $37 million has been reserved by states to provide technical assistance to small systems, and some states are helping small systems prepare for a DWSRF loan.

**DWSRF Is Up and Running**

The DWSRF is now entering its fourth year of existence. A great deal of activity has taken place in this short period of time.

- The total amount of funds awarded to states as of September 30, 1999, was $2.3 billion. All states have received FY98 funds; 33 have all or part of their FY99 funds.
- States reserved 20 percent of their grants for set-asides in FY97; 14 percent in FY98; and 13 percent in FY99 (based on 33 grants), for a total of $397 million.
- Four states are transferring funds from the clean water state revolving fund (CWSRF) to the DWSRF: Colorado (approximately $8 million), Maryland ($8.1 million), New Jersey ($9.2 million), and New York ($50 million).
- As of September 30, 1999, 42 states had provided nearly 800 DWSRF loans to communities in need.

Continued from page 1
systems with a cumulative amount of approximately $1.6 billion.
• The appropriation for FY00 is $820 million. This brings the total amount appropriated for the program to nearly $3.6 billion. Work continues on various aspects of the DWSRF and a corresponding program for wastewater, the clean water state revolving fund (CWSRF). (See the article “Four Federal Agencies Are The Main Funding Sources” on page 8.) In February 1998, EPA established a workgroup to address implementation issues affecting DWSRF and CWSRF programs. The group meets semi-annually and has a membership of 18 state representatives, 10 EPA regional representatives, and seven EPA headquarters staff.

EPA is in the process of developing a Drinking Water National Information Management System (DW-NIMS) to track the amounts and types of assistance provided by state DWSRFs. Six states—Kansas, Maine, Maryland, Ohio, Oregon, and Virginia—have been involved in a pilot data collection effort. EPA anticipates having the DW-NIMS available for use by February 2000.

Detailed information about the DWSRF can be found in EPA’s guidance document Drinking Water State Revolving Fund Guidelines. Aimed primarily at state-level administrators, this February 1997 publication describes eligible uses and projects, set-aside allowances, and provisions for small systems. The document is free and may be obtained by calling EPA’s Safe Drinking Water Hotline at (800) 426-4791. The guidelines are also available online at www.epa.gov/safewater/dwsrf.html#guidance.

Is my system eligible for DWSRF money?

According to the U.S. Environmental Protection Agency (EPA), drinking water state revolving fund (DWSRF) priority must be given to projects that help ensure:
• Safe Drinking Water Act compliance,
• Public health protection, and
• Affordable rates/user fees.

Types of projects that are eligible for funding include:
• System consolidation or restructuring,
• Installation or upgrades of treatment facilities, storage facilities, or distribution systems,
• Source improvement, and
• Planning and design activities.

Eligibility doesn’t automatically guarantee a loan, though. A community water system that wishes to receive DWSRF funds must first secure a place on its state’s priority list. Criteria for placement on these lists varies from state to state. Communities should contact their state’s program administrator to find out more about that particular state’s requirements for DWSRF loans.

For the number of your state’s DWSRF program administrator, call the National Drinking Water Clearinghouse at (800) 624-8301 or (304) 293-4191 or visit the EPA Web site at www.epa.gov/safewater/dwsrf/contacts.html.

EPA Water Report Available Online

The Safe Drinking Water Act amendments of 1996, require each state to report to the U.S. Environmental Agency (EPA) on public water system violations. These annual reports address violations of the national primary drinking water regulations and must be published and distributed to the public.

In the document 1997 National Public Water System Annual Compliance Report, EPA has summarized and evaluated each state’s annual report. The results show, among other things, that more than 90 percent of all community water systems had no violations of any health-based drinking water standard.

The report is available on EPA’s Web site at www.epa.gov/safewater/annual or by calling the Safe Drinking Water Hotline at (800) 426-4791. Request document EPA 305-R-99-002.

“More than 75 percent of the loans made to date have been to systems serving fewer than 10,000 persons.”

Peter Shanaghan, small systems coordinator, U.S. Environmental Protection Agency
Editor’s Note: While the methods for funding a community drinking water or wastewater project are numerous, there are four primary sources at the federal level: the U.S. Department of Agriculture (USDA) Rural Utilities Service; the Environmental Protection Agency (EPA); the U.S. Department of Housing and Urban Development (HUD) Community Development Block Grant program; and the U.S. Department of Commerce (DOC) Economic Development Agency. The following is a summary of services offered by these four agencies and ways to learn more about them.

**USDA’s Rural Utilities Service (RUS)**

The RUS Water and Waste Disposal Program provides both loans and grants to rural communities for drinking water, wastewater, solid waste, and storm drainage projects. RUS also administers the Water 2000 initiative. These programs are administered locally by state and district Rural Development offices.

RUS provides funding for almost any activity related to getting water, wastewater, and solid waste systems up and running in small municipalities. Funds may be used to install, repair, improve or expand rural water facilities. Funding may also be used for such expenses as: construction, land acquisition, legal fees, engineering fees, capitalized interest, equipment, initial operating and maintenance costs, and project contingencies.

RUS (formerly the Farmers Home Administration) has provided $16 billion in loans and grants since 1940.

For more information:

U.S. Department of Agriculture, Rural Utilities Service
Water and Environmental Programs
1400 Independence Avenue SW
Washington DC 20250
Phone: (202) 720-9583

**EPA’s State Revolving Funds**

EPA provides each state with capitalization grants to establish revolving loan programs for drinking water and wastewater projects. States must provide at least 20 percent in matching funds. Program priorities and project eligibility vary from state to state. As loans are paid back, the funds are recycled to finance additional water and wastewater projects.

The drinking water state revolving fund (DWSRF) was created with the passage of the 1996 Safe Drinking Water Act Amendments. Its goal is to finance projects needed to meet SDWA requirements and to protect public health. (See the article “EPA Loan Program Makes Progress” on page 1 for more information.) Since its inception, $2.3 billion has been awarded to states for this loan.

Started in 1988, the clean water state revolving fund (CWSRF) finances conventional wastewater projects, as well as agricultural runoff prevention and septic system repair. Currently, all 50 states and Puerto Rico are operating successful CWSRF programs with total assets of more than $30 billion.

For more information:

DWSRF
U.S. Environmental Protection Agency
Office of Ground Water and Drinking Water
401 M Street SW
Washington DC 20460
Phone: (202) 260-5557
Web: [www.epa.gov/OGWDW/dwsrf.html](http://www.epa.gov/OGWDW/dwsrf.html)

CWSRF
U.S. Environmental Protection Agency
Clean Water State Revolving Fund Branch
401 M Street SW
Washington DC 20460
Phone: (202) 260-2268
Web: [www.epa.gov/OWM/](http://www.epa.gov/OWM/)

**HUD’s Community Development Block Grant Program (CDBG)**

The CDBG provides grants directly to states, which, in turn, allocate funds to small cities and nonurban counties. Grants may be used for community and economic development activities, but are primarily intended for housing rehabilitation and public infrastructure projects, such as wastewater and drinking water facilities.

HUD requires that 70 percent of grant funds be continued on next page
Continued from previous page

used to benefit low- and moderate-income people. Eligibility and other requirements vary by state.

For more information:

U.S. Department of Housing and Urban Development
Office of Block Grant Assistance, State and Small Cities Division
451 7th Street SW
Washington DC 20410
Phone: (202) 708-1322
Web: www.hud.gov/progdesc/cdbgent.html

DOC’s Economic Development Administration (EDA)

EDA—through the Grants for Public Works and Development Facilities program—provides grants to help distressed communities attract new industry, encourage business expansion, diversify local economies and generate long-term jobs. Among the many items funded under this program are water and wastewater facilities primarily designed to serve industry and commerce.

For more information:

U.S. Department of Commerce, Economic Development Administration
Public Works Division
Herbert C. Hoover Building, Room H7326
Washington DC 20230
Phone: (202) 482-5265
Web: www.doc.gov/eda/html/pwprog.htm

Other Programs

The agencies discussed above represent the largest and best-known federal programs for water and wastewater projects. There are, however, other federal programs that address these needs for special areas or populations.

Appalachian Regional Commission (ARC)

The ARC offers grants in designated counties within 13 Appalachian states. Eligible projects include improvements to water and wastewater systems and must be related to economic or community development. ARC can provide supplemental grants in certain isolated rural communities to help meet local match requirements for federal funding.

For more information:

Appalachian Regional Commission
1666 Connecticut Avenue NW
Washington DC 20235
Phone: (202) 884-7771
Web: www.arc.gov

Department of Health and Human Services’ Sanitation Facilities Construction Program (Indian Health Service)

This program funds water, sewer, and solid waste projects in American Indian and Alaska Native communities.

For more information:

U.S. Department of Health and Human Services
Indian Health Service
12300 Twinbrook Parkway, Room 610
Rockville MD 20852
Phone: (301) 443-1056
Web: www.ihs.gov/NonMedicalPrograms/Dfee/DivProgram.asp

EPA’s Hardship Grants Program for Rural Communities, Colonias Program, and Clean Water Indian Set-Aside Program

These three EPA programs provide assistance to specific communities within the U.S.

The Hardship Grants Program for Rural Communities is for communities that meet the following criteria: fewer than 3,000 residents; no access to centralized wastewater treatment or collection systems, or need improvements to onsite wastewater treatment systems; has a proposed project that will improve public health or reduce environmental risk; has a per capita income of less than 80 percent of the national average; and has an unemployment rate that exceeds the national average by one percentage point or more.

The Colonias Program is for communities that are: located in Texas or New Mexico, within 62 miles of the Mexico border; meet income and other economic criteria established by the state; be unincorporated; exist before the adoption of colonias land use legislation; and lack basic services, such as water and sanitation.

The Clean Water Indian Set-Aside Program is designed to assist Indian tribes and Alaska Native communities.
villages in planning, designing and building wastewater systems. EPA and the Indian Health Service work together to administer this program. For more information:

- Hardship Grants Program for Rural Communities
  U.S. Environmental Protection Agency
  Clean Water State Revolving Fund Branch
  401 M Street SW
  Washington DC 20460
  Phone: (202) 260-2268
  Web: www.epa.gov/OWM/

- Colonias Program
  Office of Waste Management
  401 M Street SW
  Washington DC 20460
  Phone: (202) 260-5841
  Web: www.epa.gov/OWM/mexican.htm

- Clean Water Indian Set-Aside Program
  Office of Waste Management
  401 M Street SW
  Washington DC 20460
  Phone: (202) 260-7255
  Web: www.epa.gov/owm/indian/

Information Is Needed

Over the last several years, the application process for loans and grants has been streamlined by most agencies. Potential applicants for Rural Utilities Service funding, for example, no longer have to complete a formal pre-application. Now, applicants can usually find out if they’re eligible from their state Rural Development office.

However, funding agencies still need background information to determine whether or not a community is eligible for funding. Here are some items funding agencies typically request:

- an overview of the proposed project,
- rough cost estimates of the project,
- health or environmental problems the current system faces,
- current and projected user rates,
- number of residential and commercial users,
- total amount of water used in a given period of time, (e.g., daily, weekly, monthly),
- median household income of the service area, and
- population of the service area.

These various pieces of information should be relatively easy to obtain. Once eligibility is determined, applicants are then encouraged to file a formal application for their project.

NCSC Publishes New Edition of Popular Guide

Each year, small and rural governments qualify for billions of dollars in public and private funding. But virtually all of these opportunities are competitive, requiring a well-written, persuasive application. Now there is a new resource available to assist local grant-seekers.

The National Center for Small Communities (NCSC) recently published an all new edition of **Keys to Successful Funding: a small community guide to federal and foundation resources**. The guide was written to give local leaders the information and tools to locate and compete successfully for critical outside funding. State community development agencies, regional planning and development agencies, state municipal and county associations were among the first organizations that used the first edition of **Keys**.

Because of population growth, the changing economy and the impact of regulations, small and rural leaders must meet increasing demands with the same limited local resources. To assist local officials in accessing new sources of revenue, **Keys to Successful Funding** identifies both funding strategies and funding sources.

The guide illustrates how to develop the major components of a competitive proposal: planning; eligibility; affordability; funding; and management. In producing the guide NCSC staff interviewed high-ranking officials from several federal programs. **Keys** devotes a chapter to funding available from the nation’s 42,000 foundations, many of which limit their assistance to the community or state in which they are located. This is a new avenue for small town leaders, yet foundations distributed more than $15 billion in 1997, a 12 percent increase over the previous year.

The guidebook concludes with free and affordable sources of planning, technical assistance and administrative expertise, as well as valuable contacts, hotlines, and Internet sites.

**Keys to Successful Funding** sells for $24.95 ($14.95 for NCSC members) and is available for purchase online from the NCSC Web site at www.natat.org/NCSC. For information about special bulk order rates, contact the NCSC at (202) 624-3555, or via e-mail at ncsc@sso.org. $
**RUS Project Officer To Retire**

Donna Roderick, project officer for the National Drinking Water Clearinghouse (NDWC) and other technical assistance programs funded through the U.S. Department of Agriculture’s Rural Utilities Service (RUS), retired from the federal government on December 31, 1999, after 30 years of service. Roderick has worked with the NDWC since its creation in 1991.

A native of Maine, Roderick began her career with the Farmers Home Administration (FmHA)—now RUS—in her home state in 1969. She then served in several positions, including county office clerk in Bridgeton, Maine, assistant county supervisor in Bucksport and Westbrook, Maine, and county supervisor in Gardner, Massachusetts.

In 1981, Roderick moved to Washington, DC, to work as a loan specialist with FmHA. She has been involved with the Technical Assistance and Training grant program (TAT) since its inception in 1988. According to Roderick, one of the reasons that TAT was started was to “protect the billions of dollars the government has invested in water and wastewater improvements by providing technical help to small systems.”

Reflecting on her 30 years with the federal government, Roderick is most proud of the service RUS programs have afforded communities. “I had the chance to be a small part of helping a whole lot of people,” she says. “It has been a very gratifying experience.

“The NDWC is one of those programs,” says Roderick. “It serves an important function of getting much-needed information about drinking water to the country’s small communities.”

“The continuity of having Donna Roderick work with our program has been most beneficial,” says Sanjay Saxena, NDWC director. “This continuity was important for the NDWC, particularly in our formative years. We will miss Donna, and wish her all the best in her future endeavors.”

**New Project Officer Named**

Deanna Plauché will replace Donna Roderick as project officer for the National Drinking Water Clearinghouse (NDWC) and other technical assistance programs funded through the U.S. Department of Agriculture’s Rural Utilities Service (RUS).

Plauché was born and raised in Marksville, Louisiana. She received an accountant certification from Avoyelles Vocational Technical Institute in Cottonport, Louisiana.

Prior to joining the Farmers Home Administration (now RUS), Plauché worked for the State of Louisiana for six years. She began her 17-year career with FmHA in the Marksville County Office and then moved to the Louisiana State Office of Community Programs. She next accepted a position in RUS’s Water and Waste Programs Office in Washington, D.C., where she has served for more than 13 years.

“We look forward to working with Deanna Plauché,” says Sanjay Saxena, NDWC director, “and are excited to have her join us in our commitment to small community drinking water systems in the year 2000 and beyond.”

**USGS Launches Customizable Online Atlas**

A new online version of The National Atlas of the United States America™ is now available through the U.S. Geological Survey (USGS).

Located at www-atlas.usgs.gov/, the atlas allows users to create custom maps using various search criteria, such as water, geology, biology, population, mine operations, or watersheds.

For instance, a user might wish to know the discharges made to waterways in a given county, state, or region. With a few clicks of the mouse, an on-screen map will appear detailing the information requested. Links to other atlas sites on the Web are included.

Various federal agencies collected the information and data and combined it into one easy-to-use tool. The site says the atlas “delivers authoritative views of scientific, societal, and historical information . . . so that customers can produce their own relevant information.”

In 1970 USGS published the first National Atlas of the United States America™. It was an oversized, 400-page, 12-pound collection of maps. The new maps will be available in both electronic and paper form and include information not available in 1970.

For more information, visit the Web site mentioned above or write to USGS National Center, 12201 Sunrise Valley Drive, Reston, VA 20192, or call (703) 648-4000.
The Environmental Services and Training Division (ESTD) at West Virginia University is home to a group of nonprofit environmental health programs, national in scope, that offer a variety of information services to small communities, professionals, and the general public. These services are provided through three federally funded organizations: the National Small Flows Clearinghouse, the National Environmental Training Center for Small Communities, and the National Drinking Water Clearinghouse. The programs share a broad mission of serving America’s small and rural communities. ESTD produces five quarterly publications.

**Small Flows Quarterly**

The National Small Flows Clearinghouse (NSFC) recently combined its two popular publications, the *Small Flows* newsletter and *The Small Flows Journal*, into one new magazine-style publication, the *Small Flows Quarterly*. The new magazine will continue to focus on small community wastewater issues and technologies. It will include the same quality, peer-reviewed, technical articles currently published in *The Small Flows Journal*, as well as the news, feature articles, and product information readers have come to expect from the *Small Flows* newsletter.

The first issue of *Small Flows Quarterly* is due out by the end of January. In this Winter 2000 issue, the front-page article concerns onsite system management and discusses the concept of management, the need for it, and the current models.

Other articles include one about phosphorus removal techniques, and another that presents a new theory on the mechanism behind the eutrophication of freshwater lakes. In addition, articles discuss state certification of onsite wastewater treatment professionals and remote monitoring of wastewater treatment operations.

Regular columns will appear in the magazine. The legal column, by Scott Fogarty, an environmental attorney from Mill City, Oregon, discusses local land use and zoning laws. The forum section, where readers voice opinions, is written by Jim Kreissl of the U.S. Environmental Protection Agency’s Office of Research and Development, and concerns the state of wastewater management at the start of the new millennium and where it should be headed. This issue’s Question & Answer explores the use of peat filters in domestic wastewater treatment.

**Pipeline**

In addition to the *Small Flows Quarterly* magazine, the NSFC also distributes *Pipeline*, a quarterly newsletter. This single-topic publication gives an in-depth explanation of one particular wastewater subject in each issue.

Written for the general public, *Pipeline*’s diverse audience—community officials, homeowners, maintenance and inspection personnel, and educators—will find the treatment technologies and procedures described in the newsletter easy to read and understand.

Previous issues of *Pipeline* have focused on topics such as constructed wetlands, home septic system inspection, and biosolids management in small communities. The Winter 2000 issue will discuss evapotranspiration systems, an alternative treatment method that may be used in sites where protection of surface and groundwater are issues.

**E-train**

The National Environmental Training Center for Small Communities (NETCSC) quarterly newsletter, *E-train*, presents profiles of exemplary training programs, feature articles relevant to environmental training, and practical tips and techniques for successful environmental training.

Upcoming issues will provide information about NETCSC’s new drinking water course, training and technical assistance efforts being made in capacity development for small systems, distance learning courses for a basic drinking water and wastewater program along with an Internet training course, and how the Minnesota Association of Townships and NETCSC, the NSFC, and the National Drinking Water Clearinghouse (NDWC) worked together to provide training for 9,000 local officials.

Also highlighted in *E-train* will be the annual events of the National Environmental Training

*Continued on next page*
Other drinking water systems may find the article helpful by learning how modeling can provide valuable information when looking for cost-saving measures in distribution system upgrades. Another case study looks at how a small drinking water system is using SCADA [Supervisory Control and Data Acquisition] to monitor and run its treatment operations. Readers considering installing a SCADA system will learn of the system’s benefits and considerations when exploring options.

On Tap continues its series of technical assistance resources available to small drinking water systems by examining two training centers in Tennessee. Operators from across the state attend continuing education courses to study the latest treatment methods.

One of On Tap’s most popular features is the “Tech Brief,” a four-page fact sheet covering drinking water technologies. This issue includes the newsletter’s 14th offering, Tech Brief: Ozone.

Subscriptions Are Free
Perhaps the best news of all is that subscriptions for all the publications mentioned in this article are free. To sign up, please send your name, address, phone number, and the publication or publications you wish to receive to the Environmental Services and Training Division, West Virginia University, PO Box 6064, Morgantown, WV 26506-6064. You may also call (800) 624-8301 or (304) 293-3161. All ESTD newsletters are available on the Internet at www.estd.wvu.edu/.

NDWC Launches Keyword Search Engine
The National Drinking Water Clearinghouse (NDWC) recently added a new keyword search feature to its Web site. Users may search for specific drinking water-related topics that appeared in Water Sense and On Tap, quarterly newsletters published by the NDWC.

Once users search for a topic, they may download an electronic copy of the newsletter in which the article was published. Not all newsletters dating back to 1991 are available for downloading at this time, however they soon will be available.

To search for specific drinking water information, log onto the NDWC site at www.ndwc.wvu.edu.
**MATAC Provides Assistance to Small Systems**

Realizing the difficulties small systems face with regard to capacity development, the reauthorized 1996 Safe Drinking Water Act (SDWA) provides for regional university-based technical assistance centers that offer training, education, and technical assistance to public water systems.

The Mid-Atlantic Technology Assistance Center (MATAC) is one such center. Located at the Charles County (Maryland) Community College, MATAC provides no-cost evaluations of small water systems, using a capacity development approach.

“Our evaluators look at all aspects of a water system,” says Frank Comstock, MATAC project coordinator. “Technical evaluators spend one to three days onsite, delving into production, treatment, and distribution of water.

“Financial evaluators spend two to four days examining all financial records for the water system and the community,” continues Comstock. “These evaluators delve into a system’s financial viability in the present and for the foreseeable future.”

Once the evaluators have assessed a system, they provide a detailed report identifying current operations, maintenance, management, and financial health. The report also makes recommendations for meeting current and future requirements specified under the SDWA, and suggests ways to meet financial obligations in the future.

MATAC provides assistance to small drinking water systems in Maryland, Virginia, Delaware, Pennsylvania, West Virginia, and New Jersey.

For more information about MATAC, write to the Maryland Center for Environmental Training, 8730 Mitchell Road, La Plata, Maryland, 20646-0910. You may also call (301) 934-7546 or visit their Web site at www.m CET.org.

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**U.S. Water Prices Getting Cheaper**

Is water getting cheaper? It’s true, according to a news story on the Water and Wastewater International Web site. The cost of water dropped an average of 0.5 percent to just under 51 cents per cubic meter, reports the latest 1999 NUS International Water Cost Analysis.

Richard Soultanian, co-president of National Utility Service (NUS), Inc., notes that one of the greatest price drops was in Newark, New Jersey, where consumers received a reduction of almost seven percent.

“In contrast, prices rose three percent in Los Angeles, California, over the past year, one of the few rises for the year,” says Soultanian.

The story notes that this is good news for inflation, but warns that the situation could soon change, following the recent drought and floods. Other highlights from around the world in the NUS International Water Cost Analysis include:

- German consumers pay the most for their water;
- South Africa posted the greatest price increase (9.8 percent);
- Finland consumers obtained the greatest price decrease (down 2.3 percent);
- French consumers have started to see prices rise; and
- Canada’s water prices remain the cheapest surveyed.

The annual survey is part of NUS’S utility cost management work to help organizations obtain better electricity, gas, telecommunication, fuel, and water prices.

For more information about the survey, contact the NUS at One Maynard Drive, Park Ridge, New Jersey 07656, or call (201) 391-4300. Information about other surveys is also available on their Web site at www.nusinc.com.

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**National Utility Service Water Cost Analysis**

<table>
<thead>
<tr>
<th>Country</th>
<th>Cost in U.S. cents/meter</th>
<th>Percent of change</th>
</tr>
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<tbody>
<tr>
<td>Germany</td>
<td>182</td>
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<tr>
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Note: The NUS International Water Policy Survey is based on prices as of July 1, 1999, for the use of 10,000 cubic meters of water per year. All prices are in U.S. cents per cubic meter.

Source: National Utility Service, Inc.
International Exchange Professional Works with NDWC

by Jamie Knotts
NDWC Promotions Coordinator

When José Fernando Giraldo Rios returned to Colombia in late November 1999, he took with him a new perspective of how America’s drinking water systems obtain needed technical information and assistance. While in the U.S., he completed a project that will help others here.

Giraldo was an exchange professional who worked with the National Drinking Water Clearinghouse (NDWC) at West Virginia University (WVU). He came to WVU as a participant of the Council for International Programs (CIP). The program places international professionals with local companies and WVU departments to learn and exchange information.

“During my work with the NDWC I have found valuable information produced by an excellent group of professionals,” Giraldo said. “They offer updated information through newsletters, educational products, technical assistance, databases, and a discussion group for small drinking water systems that supply low-priced and good quality drinking water to customers.

“I am convinced that this information can be very useful for small drinking water systems, not only for the United States, but also for the world,” Giraldo said. “Their work helps to protect the environmental health of America’s small communities.”

While in Morgantown, home of WVU, Giraldo translated one of the NDWC’s most popular publications into Spanish. “Tech Briefs” are four-page fact sheets that explain drinking water treatment processes. These fact sheets are distributed to drinking water treatment operators and industry professionals across the country. (See article on page 2 for more information about Tech Briefs.)

In Colombia, Giraldo’s studies in civil engineering, development projects, and business management led him to a career in public service. He has held several public works administrative positions, the most recent as general manager of the Aqueduct and Sewage Company “Empresa De Acueducto Y Alcantariado De Pereira” in Pereira, a city of nearly half a million people.

He also worked as chief administrator of the Department of Risaralda, executor of the Board of Public Works of the Department of Risaralda, and executor of the Board of Public Works of Pereira. He was instrumental in the construction of the Pereira Art Museum, a non-profit organization that promotes culture and art in Colombia’s coffee region.

“With Mr. Giraldo’s background in the public works and public services area at a municipal water department, he has the technical experience, as well as the language skills to translate our technical publications,” said Sanjay Saxena, director of the NDWC. “Mr. Giraldo’s work will allow us to reach the Spanish-speaking audience in America with the high quality publications we produce. There is a real need for these publications to be produced in Spanish.”

For 28 years, CIP has annually hosted a group of mid-level professionals from all over the world. The program lasts for nearly four months in the fall. Participants receive a two-week orientation to the U.S. and are also involved in weekly meetings with the other program participants.

“CIP is a nonprofit organization, governed by a board of 35 members,” said Janice Spleth, CIP director and professor of French and African Literature in the WVU Department of Foreign Languages. “This year there are 10 international participants from Colombia, Brazil, Germany, Mexico, Haiti, and Mali.”

“Participants have a chance to learn about American technology and practices,” Sp said. “At the same time they offer their own professional experiences, and the techniques and spectacles that they bring with them from their home countries.”
SRF, Rate Setting Products Available

Note: Call (800) 624-8301 or (304) 293-4191 to order products and verify prices. Please allow three to four weeks for delivery. Actual shipping charges are added to each order. NDWC products also may be ordered via e-mail at ndwc_orders@mail.estd.wvu.edu. Products are subject to availability. Please verify price when ordering.

- **Financing for Small Public Water Systems**
  Item #DWBLFN04
  This 1992 report identifies the major potential funding sources for small communities and provides information on how to receive funding. Although each funding source has its own specific eligibility criteria and information requirements, the most common requirements are detailed.

- **Alternative Funding Study: Water Quality Fees and Debt Financing Issues**
  Item #DWBKFN08
  This 1996 study evaluates specific revenue sources to increase capital investment in local drinking water and wastewater related projects. It focuses on funding from federal, state, or local fees to supplement existing subsidies. It also looks at the expanded use of debt refinancing.

- **Standardized Costs for Water Supply Distribution Systems: Complete EPA Report**
  Item #DWBKDM19
  This 1992 report includes cost data for construction, operation, and maintenance of domestic water distribution pipelines, water pumping stations, and water storage reservoirs.