

NEWS RELEASE

Mary Ruth Tackett, State Director, Nashville, Tennessee, www.rurdev.usda.gov/tn

November 13, 2007

Contact: David Glasgow

(615) 783-1300

\$3.1 million water improvements for Loudon, McMinn and Roane

LENOIR CITY, Tenn.— Rural Development Community Programs Director Keith Head today joined Watts Bar Utility District (UD) General Manager Mickey Barger to announce a federal investment of \$3,100,000 for water infrastructure improvements to increase the District's storage capacity and extend service to approximately 420 people in Roane, Loudon and McMinn Counties. The announcement was made at New Providence Baptist Church in Hotchkiss Valley, an area near Lenoir City where private wells have been particularly affected by ongoing drought conditions.

"Clean, safe drinking water is one of the most basic building blocks a community needs in order to take advantage of new economic opportunities," said Head. "By working together with Rural Development, the mayors and other local leaders, Mr. Barger and Watts Bar Utility District are putting a plan into action that will meet the current and future needs of this growing area."

Funding for the project includes a Rural Development low-interest loan of \$2,325,000 and a grant of \$775,000. An additional \$200,000 in local funding brings the total investment to \$3,300,000. This investment enables the UD to add an additional booster pump station, a 300,000 gallon water storage tank and about 31 miles of water line to extend service into several areas where local wells have been negatively affected by the lack of rainfall in 2007.

Water improvements are funded through Rural Development community programs, which provide financing for drinking water, waste-water treatment, solid waste disposal and storm-water facilities for rural residents. Loans and grants are made to entities serving rural areas with a population less than 10,000. Last year USDA Rural Development invested more than \$59 million to improve water and wastewater-disposal infrastructure for people living in rural communities in Tennessee.

USDA Rural Development is committed to the future of rural communities in Tennessee by investing financial and technical assistance through housing, community and business development programs. In Fiscal Year 2007 Rural Development assisted more than 448,504 Tennessee families and businesses with more than \$308 million in financial assistance through loans, loan guarantees and grants.

For more information on community programs, business development, or affordable housing available in Roane and Loudon Counties contact the Rural Development Area Office in Knoxville at 865-523-3338 ext. 4 or toll free at 1-800-342-3149 ext. 1491. For information on Rural Development programs in the McMinn County area contact the Chattanooga Area Office at 423-756-2239 ext. 2, toll free at 1-800-342-3149 ext. 1492 or visit us online at www.rurdev.usda.gov/tn.