



PRESS RELEASE

RCAP Survey Shows Impact of COVID-19 on Rural and Tribal Water and Wastewater Systems

Survey of more than 1,100 rural and tribal water and wastewater systems shows projected impact on smallest systems across the country

6/1/20 – The Rural Community Assistance Partnership (RCAP), launched a survey in early May to better understand the impacts of COVID-19 on small rural and tribal water and wastewater systems. The survey received 1,137 unique responses from systems in 49 states and Puerto Rico, including 7.5 percent of responses from systems that serve tribal areas. RCAP’s survey specifically focused on the smallest communities across the country, as the average size of the community that responded had 900 connections, or an estimated 2,340 residents. Across the United States, 72 percent of public water systems cover communities of 500 or less, showing the importance of capturing the impact of COVID-19 on the smallest systems.

While there is still much uncertainty in the market around the overall financial impacts on rural and tribal water and wastewater systems, more than 31 percent of those who could estimate their financial outlook indicated they could not continue to cover all costs for more than six months under current conditions.

Based on the responses received, the median revenue loss per system was \$4,685 per month, resulting in an estimated revenue loss across the country for small water systems (serving populations of 10,000 residents or fewer) of between \$3.6 to \$5.58 billion. More than a quarter (27 percent) of respondents indicated that they were not sure of their financial impacts yet, meaning that this number could increase significantly as additional data comes in. RCAP also was not able to estimate revenue losses for respondents that provide only wastewater services.

RCAP’s survey also collected information on the non-financial impacts on rural and tribal water and wastewater systems. More than 43 percent of respondents said they rely on one full-time employee or less to operate their systems, because many rely on part-time or contract operators and even volunteers. Several indicated a concern about the health of operators in the maintenance of their systems. When asked to identify areas of concern in relation to COVID-19, systems listed a variety of

challenges; only 13 percent indicated that they were experiencing only one of the eight challenges listed in the survey, showing the complexity of the issues small systems are facing.

“The strength of our network is relationships with communities,” said RCAP CEO Nathan Ohle. “We work with the smallest and most distressed communities across the country, and are proud to be able to help share the story of the impact COVID-19 is having on these communities. Rural and tribal communities were already facing a rapidly changing water and wastewater industry landscape, and COVID-19 has compounded this challenge, significantly impacting these communities in ways that we are just starting to understand.”

One area of focus across the RCAP Network has been on regionalization of water and wastewater utilities. Regionalization can be characterized as any type of partnership between multiple utilities, from informal collaboration such as mutual aid agreements in case of an emergency or sharing equipment, to more formal partnerships such as full physical and/or managerial integration. Of survey responses, 13 percent of the respondents answered and confirmed that they are engaged in a regional collaboration project, showing significant partnerships and conversations that will help small systems remain sustainable.

“What is clear as we start to understand the impact on these communities is the continued importance of the technical assistance being provided throughout the RCAP Network to these communities,” continued Ohle. “Many of these rural leaders are doing incredible work to ensure their friends and family have access to safe drinking water and sanitary wastewater, and the operators of these systems are some of the most underappreciated leaders across the country. We must continue to support them and increase their capacity.”

While this information helps to set the stage for better understanding the impact of COVID-19 on rural and tribal water and wastewater systems, many of these communities have yet to be hit hard by confirmed cases of COVID. What is certain is that the loss of revenue by systems cannot be recaptured unless federal and state resources fill this gap, meaning that the cost of this pandemic will continue to be borne through user fees and rate increases. Without federal assistance, many of these systems will feel the financial and human impact of this crisis for years if not decades to come.

About RCAP

RCAP is a network of non-profit partners providing opportunity, assistance, and practical guidance to small communities in all fifty states, U.S. territories, and tribal lands to ensure access to safe drinking water, sanitary wastewater disposal, and economic prosperity for all rural America. In fiscal year 2019, the RCAP Network served approximately 2,000 communities. To learn more about RCAP, visit www.rcap.org.

Media Contact:

Kinsey Brown, RCAP Communications Manager

Kbrown@rcap.org

(202) 800-4127