

TABLE 16.—Community Facilities Administration—Accelerated public works program grants and public facility loans for water utility construction ¹

PUBLIC FACILITY LOANS, 1956-65

[Dollar amounts in thousands]

Year	Number of projects	Amount	Estimated total cost
1956.....	17	\$1,624	\$1,805
1957.....	41	7,249	7,443
1958.....	51	11,611	12,227
1959.....	37	5,872	6,448
1960.....	22	6,306	7,728
1961.....	51	6,791	7,428
1962.....	87	32,633	35,477
1963.....	80	18,603	29,830
1964.....	41	8,031	10,847
1965.....	68	33,419	45,203
Total.....	495	132,139	164,436

ACCELERATED PUBLIC WORKS PROGRAM GRANTS, 1962-64

Year	Number of projects	Amount	Estimated total cost
1962.....	117	23,114	50,096
1963.....	318	108,147	245,642
1964.....	86	12,728	25,621
Total.....	1,021	143,989	321,359

¹ Data supplied by the Community Facilities Administration, U.S. Department of Housing and Urban Development.

D. WATER INDUSTRY NEEDS AND PROSPECTIVE CAPITAL OUTLAYS

1. CAPITAL NEEDS

Public water supply capital investment to meet population and industrial growth requirements, replace worn out and obsolete facilities, and partially eliminate a sizable construction backlog is estimated to grow from \$2 billion in 1966 to \$3 billion in 1975. The total outlay for the 10-year period would amount to \$24 billion, more than twice the amount spent during the previous decade.

Table 17 shows the cost breakdown for the 1966-75 period. The basis for the estimates is given in the following discussions on population growth, depreciation, and deficiencies.

(a) *Population growth*

Of the present U.S. population of 195 million, the industry serves 157 million people or approximately 80 percent of the total. Over the next 10 years, the population is expected to grow at a rate of 1.5 percent, or roughly 3 million per year, reaching 225 million by 1976. Public water supplies will serve at least 80 percent of the annual increase and probably more. It is assumed in this report that 2.5 million more, or 83 percent, will be served each year.

The cost to provide water system capacity for growth alone is estimated to rise from \$775 million in 1966 to \$1 billion in 1975. This is based on the assumption that the initial cost will be \$300 per capita and construction prices will increase 3 percent per year, a low figure in view of the price rise experienced in 1965.

The formation of water district, authority, or metropolitan water systems serving several communities will reduce per capita construction costs. On the other hand, many systems will develop water