



**NORTH AMERICAN DEVELOPMENT BANK  
FACT SHEET  
MERCEDES, TEXAS**

- Project:** Water Supply, Wastewater Collection and Treatment System
- Cost:** US\$11,159,154
- Sponsor** City of Mercedes, Texas
- Location:** Mercedes is located in Hidalgo County in the Lower Rio Grande Valley between McAllen and Harlingen, Texas. It is just 10 miles from the Mexican border.
- Background:** The city of Mercedes provides water, wastewater and solid waste services for its residents. Water is supplied through the Rio Grande and treated in a 3 million gallon per day (mgd) water treatment facility. Residents of the outlying *colonias* currently do not have access to a public water supply system, relying on water wells, bottled water, water hauling services, drainage and irrigation ditches, as well as their neighbors for potable water.
- The wastewater facilities consist of a 2.3 mgd oxidation ditch wastewater treatment plant and a centralized collection system. Many *colonia* residents currently use septic tanks for disposal of their wastewater.
- Description:** The project involves improving and expanding the city's existing water and wastewater systems. Major components include:
- expansion of the water distribution system with a new main, high lift pump and elevated storage tank
  - expansion of the existing water treatment plant to increase treatment capacity from 3.0 mgd to 4.5 mgd
  - expansion of the existing wastewater collection system with new mains, pumps and lift stations.
- BECC Certification:** November 9, 1996
- NADB Funding:** Border Environment Infrastructure Fund (BEIF):  
Transition Grant Assistance: US\$896,075

These funds will assist the city in meeting its debt service obligations and will increase system capitalization in the start-up period of the project in order to ensure the stability of the new system.

Loan & Guaranty Program:  
US\$1,874,900

This loan was approved as interim financing while the city waited for a loan from the Texas Water Development Board (TWDB).

Institutional Development Cooperation Program (IDP):

The following studies have been undertaken and completed to assist Mercedes with this project: an infiltration/inflow analysis of the sanitary sewer system, a waterline survey, an update of physical asset inventory, a water loss survey, a water and wastewater rate study, and a billing frequency analysis. The NADB also assisted the city with the purchase of software and hardware.

**Other Funding Sources:**

The city has received grants from the U.S. Economic Development Administration, the Rio Grande Valley Empowerment Zone, the Texas Department of Commerce and the Texas Water Development Board (TWDB). The TWDB has also provided a loan to the city for this project.

**Benefits:**

This project will allow the city to expand its water and wastewater services into unserved areas, including ensuring the availability of a permanent source of drinking water for 17 *colonia* communities outside of the city, as well as proper treatment of wastewater from these areas.

For more information, contact Juan Antonio Flores,  
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