

Department

PUBLIC HEALTH | EMERGENCY PREPAREDNESS | DRINKING WATER

DHH Awards \$1,000,000 to the Village of Mermentau for Water System Improvements

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BATON ROUGE, La.—This week, the Louisiana Department of Health and Hospitals' Office of Public Health awarded a \$1,000,000 loan to the Village of Mermentau through the State's Drinking Water Revolving Loan Fund Program (DWRLF). The low-interest loan will help improve the community's drinking water system.

Assistant Secretary for Public Health, J.T. Lane said it's imperative that all Louisiana residents have access to safe drinking water. "This program gives local communities a source of dependable and affordable financing to bring their water treatment facilities up to the latest and most modern technology that keeps their residents safe and healthy."

DHH and Village officials closed the on the loan Wednesday, September 24, 2014. DWRLF funding will be used to build a brand new water treatment plant, consisting of state of the art equipment, filters and water treatment devices. The money will also pay to rehabilitate two of the system's existing water wells.

"We're excited about the opportunity to build for the future by bringing the Mermentau's water system into the 21st century," said Mermentau's Mayor David Fruge. "We're grateful for the low interest loan which makes this project possible and affordable."

Congress established State Drinking Water Revolving Loan Fund Programs in 1996 as part of the amendments to the Safe Drinking Water Act. The program is jointly funded by an annual grant from the U.S. Environmental Protection Agency (80 percent) and the individual participating states (20 percent). In Louisiana, it is administered by DHH's Office of Public Health. The FY 2013 Drinking Water Capitalization Grant allowed for additional subsidy in the form of principal forgiveness of up to 30 percent of the loan principal, with a cap of \$1,125,000 of principal forgiveness per project. Through this special provision, the DWRLF will provide additional subsidization in the form of principal forgiveness in the amount of \$300,000.

Loans made through this program are low interest and have a maximum 20-year repayment period. Both public and privately-owned community and nonprofit, non-community water systems are eligible to apply for loans.

Once a loan is approved, water systems can use the funds to make their improvements. As the systems pay back the loans, the principal and interest are used to make more money available for other communities that have drinking water needs. All loan projects are approved based upon a priority ranking system. Among other factors, projects that address the most serious risks to human health and those that ensure compliance with the Safe Drinking Water Act are given the highest priority.

"The purpose of the fund is to provide states with a financial mechanism to make below market rate loans to drinking water systems for infrastructure improvements. These improvements assist the systems in complying with the Safe Drinking Water Act and protecting public health," said Jennifer Wilson, Program Manager for the Drinking Water Revolving Loan Fund.

For more information about the program, contact Jennifer Wilson at DHH's Office of Public Health, 225-342-7499.

The Louisiana Department of Health and Hospitals strives to protect and promote health statewide and to ensure access to medical, preventive and rehabilitative services for all state citizens. To learn more about DHH, visit www.dhh.louisiana.gov. For up-to-date health information, news and emergency updates, follow DHH's [Twitter](#) account and [Facebook](#).