

DHH Awards \$3.55 million to the Jefferson Parish Water Department for Water System Improvements

Wednesday, February 26, 2014 | Contact: Ken Pastorick; (225) 342-1881 or (225) 335-0235 (cell)

This month, the Department of Health and Hospitals' Office of Public Health awarded a \$3.55 million loan to the Jefferson Parish Water Department through DHH's Drinking Water Revolving Loan Fund (DWRLF) program. The loan will help the system 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."

The loan will be used to upgrade portions of West Jefferson Parish Waterworks District No. 2, along River Road near Waggaman. The improvements include replacement of water mains, fire hydrants, valves, fittings, meters, and service lines. These upgrades will improve water pressure, keep the system in compliance with state and federal regulations, and provide additional water service capacity and system redundancy by looping the distribution system and increasing the size of water mains.

"We're excited about the opportunity to take advantage of this low interest loan and principal forgiveness," said Jefferson Parish President John Young. "It will allow us to make necessary improvements to our water system, while saving our taxpayers over a million dollars."

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 2012 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 \$1,065,000.

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](#).