

DHH Awards \$3.75 million to the North Franklin Water Works for Water System Improvements

Thursday, March 17, 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 \$3.75 million to North Franklin Water Works through the State's Drinking Water Revolving Loan Fund Program (DWRLF). The loan will help pay for much needed improvements and upgrades to the water system.

Assistant Secretary for Public Health J.T. Lane said it's imperative that all Louisiana Residents have access to safe drinking water. "As infrastructure ages and may need upgrades, this program gives local communities a source of dependable and affordable financing allowing water treatment facilities to make use of the most modern technology that keeps their state's families safe and healthy."

The project consists of building a new centralized production and pumping facility at the existing Chapman Road site. The construction includes three new water wells, four supply pumps, water treatment equipment and a generator. North Franklin Water Works is also laying 5.8 miles of new water mains to help improve water distribution and enable the addition of new customers.

"We were at the point we could not take on any new customers," said Marion Collier, water system manager. "We could barely supply the customers currently connected to the system. The additional wells will ensure that our current and future residents will have a reliable source of drinking water for the future. Thanks to this loan, we are able to afford the much needed improvements and upgrades."

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 \$1,125,000.

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.