



NEWS RELEASE

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LPFA helps improve sewer system in Amite

Zero-interest loan helps fund public sewage improvements in Tangipahoa Parish

BATON ROUGE –The Town of Amite will perform an evaluation of its sewer system, install new sewer pipes and upgrade lift stations thanks in part to a zero percent interest loan provided by the Louisiana Public Facilities Authority.

The Tangipahoa Parish town borrowed \$2.26 million to finance the two-part project. The first part of the project includes installation of 44,000 feet of new sewer pipe. The Town will also perform a sanitary sewer evaluation study by pumping smoke through the system to find leaks. Pipe liner will then be run through the system to stop leaks, and all manholes will be inspected.

The second part of the project includes improving the town's lift stations, which are used to pump sewage and wastewater. Many of the town's stations have single pumps and more than nine stations will be updated to include dual pumps with backup generators.

The LPFA provided \$452,000, 20 percent of the total borrowing, at zero percent interest as interim financing for the project. The remainder of the interim financing was provided by First Guaranty Bank.

“These are important improvements to the town’s sewer system,” said Pris DiLorenzo, Assistant to Mayor R.E. Goldsby. “For example, if a station loses power or a pump fails during a hurricane, there’s the possibility that sewage could back up into residents’ homes. It is important that the stations have backup generators and extra pumps so that everything can continue to run smoothly when there’s an emergency.”

The Town’s sewer system serves approximately 1,500 customers. The project is expected to be completed by July 2011.

The loan was made under the LPFA’s Rural Development Zero Interest Loan Program, which provides local governments with interim financing for capital and infrastructure projects until permanent financing is received from the U.S. Department of Agriculture.

Through the program, governmental entities work with local banks to obtain the most favorable loan rates before going to the LPFA for further help in lowering rates. The LPFA typically provides up to 20 percent of the total borrowing, which creates substantial cost savings for borrowers.

“We’re pleased that the LPFA’s Rural Development program can help renovate Amite’s sewer system,” said Martin Walke, Vice President of Economic Development for the LPFA. “This project will help ensure the quality of life for residents in Amite and provide a lasting benefit to the town.

The Louisiana Public Facilities Authority is a self-supporting public trust and public corporation that issues both taxable and tax-exempt bonds to finance public and private projects throughout the state. The LPFA finances industrial and economic development projects, provides low-cost funding for hospitals and hospital equipment, universities and other educational facilities, student loans

and essential programs for state and local governmental units. The LPFA does not receive any funds from the state for its operations.

For more information about LPFA, call 800-228-4755 or visit the LPFA website at www.lpfa.com.

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