



NEWS RELEASE

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LPFA helps Vermilion Parish provide better water to Kaplan-area residents

BATON ROUGE— Some 800 residents in the Vermilion Parish community of Kaplan will enjoy higher quality drinking water, thanks in part to an interest-free loan provided by the Louisiana Public Facilities Authority.

Vermilion Parish Waterworks District No. 1 recently borrowed \$3 million to add piping that will extend the parish's waterworks system by nearly 55 miles. The extension will supply cleaner, higher quality drinking water to nearly 800 residents currently using privately-owned wells. While many rural residents get their drinking water from private wells, much of the water in the area is naturally salty and requires use of a lot of softeners to be potable.

The installation of the new piping is part of an ongoing project to improve Vermilion Parish's water system. The project includes repairs to an existing water treatment plant near Ester and construction of a new plant in Kaplan. The extension is expected to be complete in December 2009.

"We're in the business of providing people with good drinking water," said Jeffrey Solier, assistant system manager for the waterworks district. "Water supplied to customers by the waterworks system will be less salty and will be filtered in such a way that customers won't have to use water softeners."

The district borrowed the money through the U.S. Department of Agriculture's Rural Development program. While the Rural Development program provides permanent financing for the project, the district is required to arrange its own interim financing during construction.

Iberia Bank provided the bulk of the interim financing. The LPFA provided 15 percent of the interim financing—\$450,000—at zero percent interest. The LPFA loan is provided under the organization's Rural Development Zero Percent Interest Loan Program.

This LPFA program benefits local governmental entities that receive permanent funding from USDA Rural Development to build new or upgrade existing drinking water and waste water treatment facilities. LPFA provides up to 15 percent of the total interim construction funding at zero percent interest for such facilities.

“Local governments in Louisiana have to search for innovative ways to finance major projects,” said LPFA President and CEO James W. Parks II. “We are pleased that our Rural Development Zero Percent Interest Loan Program is helping Vermilion Parish make improvements that will provide clean drinking water to people living in the Kaplan area.”

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. In addition to financing industrial and economic development projects, the LPFA 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 appropriation from the state for its operations.

For more information about LPFA, call (800) 228-4755 or visit the LPFA Web site at www.lpfa.com.

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