



Parish of Ascension

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Ascension Council Approves Resolution to send Sale of Sewer Assets to Public Vote

On Thursday February 11, the Ascension Parish Council held a special meeting and unanimously approved a resolution that will appear on the ballot on April 24, 2021 seeking voter approval for transferring the parish's sewer assets to National Water Infrastructure, LLC (NWI).

"Over the past ten years, the Parish has spent over \$42 million subsidizing sewer for 2,000 customers, and these are substantial dollars that could have been used to improve our roads, recreation and drainage," said Ascension Parish President Clint Cointment. "My administration fully supports this sale of the parish's sewer system because along with all of the financial benefits, this is our best chance to improve the environment and remove 3 million gallons of sewer effluent per day from our polluted waterways and ditches."

The Parish has finalized negotiations on the terms of a franchise agreement which, if approved by the voters, transfers parish-owned sewer treatment package plants, pipes on the east bank - excluding the corporate limits of the City of Gonzales and the Town of Sorrento - to NWI and obligates NWI to build and operate the new consolidated system. NWI will pay the parish a one-time cash payment of \$9.26 million based on the appraised value of the sewer assets, although the final purchase price is subject to approval by the Public Service Commission.

In addition, NWI will pay the parish an annual franchise fee starting at approximately \$500,000 a year, an amount that will likely increase in the future as new customers are added to the system. Also, the plan frees up nearly \$13.5 million that the Parish has dedicated to fund sewer construction, making it available for other pressing priorities. The Parish will also save \$3 million every year in taxes assessed to all parish residents that have historically gone toward

subsidizing Parish sewer costs for less than 2,000 existing parish customers. The agreement commits NWI to make a \$200 million investment to build a modern consolidated sewer system with no investment required by the parish.

Additionally, under the agreement, NWI will invest over \$1 million in immediate sewer repairs needed at the Oak Grove Primary School. In fact, Ascension school and library systems could tie into the future system and save millions annually as they would no longer have to build, maintain, and operate their own on-site sewer treatment plants.

Sewer rates would be regulated by the Louisiana Public Service Commission which is the same regulatory framework that governs electric, water, gas, and communications utilities in Ascension Parish, as well as all parishes in the state. This regulatory structure is in place to ensure the system is, and that customer rates are, fair and proportional to the benefits received. NWI will be regulated by three separate state entities: the Louisiana Public Service Commission, Louisiana Department of Environmental Quality, and the Department of Health, to ensure the system is built and operated in compliance with all legal, regulatory, health and environmental standards.