



**MICHAEL S. YENNI**

Mayor

## **CITY OF KENNER**

### **PRESS RELEASE**

**FOR IMMEDIATE RELEASE**

**Dec. 4, 2014**

### ***KENNER CITY COUNCIL TO CONSIDER CREATING DEPARTMENT OF SEWERAGE***

**Kenner, LA.** – The Kenner City Council is set to consider an ordinance Thursday to create a Department of Sewerage, a move that gives the city an important additional option with the 20-year contract with Veolia Water set to expire June 30, 2015.

Veolia Water has been in charge of Kenner sewerage operations since 1995, under a contract negotiated by former Kenner Mayor Louis Congemi. That has included the period since 2001 in which the city has been under compliance orders by the state Department of Environmental Quality to upgrade its old and dilapidated sewerage system or face fines.

“We have dedicated \$80 million in corrective action through the compliance orders with the state DEQ,” Mayor Michael Yenni said. “I want only the very best for the citizens of Kenner so that we never head down that road again.”

With the new ordinance, the city would have four options, according to Yenni: extend the contract as is for five years; extend a revised contract, bring the sewerage operations in-house as an additional city department or solicit proposals and consider offers from other companies.

“There are two very important points to remember in regards to this ordinance,” Yenni said. “First, we are not committed to actually setting up and funding a sewerage department. Second, we don’t even have the option to bring sewerage operations in-house without this ordinance.”

While Kenner’s City Charter includes all current departments, it does not include a sewerage department, Yenni said. However, the charter makes it possible to create new departments, if needed, by ordinance.

“We are still in the fact-finding stage at this point,” Yenni said. “Veolia has a number of options, which includes the possibility of coming back to us with better contract terms, and it’s certainly possible we could move forward and continue working with the company.”

However, Yenni said it would be financially reckless to renew this contract without a thorough review of all options. In 2010, Jefferson Parish ended its association with American Water and brought its sewerage

operations in-house in what was primarily a cost-savings process, Yenni said. “Our goal is top-quality sewerage operations for the least possible amount of money.”

Led by Finance Director Duke McConnell, the city is currently analyzing the cost to operate the sewerage system in-house, Yenni said. That figure will be compared to what the city pays Veolia under the contract to operate the system.

“We are waiting to receive more information before we can make this decision,” Yenni said. “We don’t know if Veolia cares to reduce the amount they charge the city, and we don’t know yet how the amount we pay Veolia compares to our cost in-house.”

However, Yenni said the city’s review is moving quickly because the contract with Veolia requires that the company receive notice no later than March 2 if the city does not intend to go forward with an extension of the existing agreement.

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