

**MINUTES OF THE MEETING OF THE
SABINE RIVER AUTHORITY
STATE OF LOUISIANA
BOARD OF COMMISSIONERS
PENDLETON BRIDGE OFFICE
15091 TEXAS HIGHWAY
MANY, LA 71449**

1:00PM THURSDAY, SEPTEMBER 25TH, 2014

MEMBERS PRESENT: Mr. Ned Goodeaux, Chairman
Mr. Therman Nash, Vice-Chairman
Mr. Frank Davis, Secretary
Mr. Norman Arbuckle
Mr. C. A. Burgess
Mr. Daniel Cupit
Mr. Jimmy Foret, Jr
Mr. Byron Gibbs
Mrs. Estella Scott
Mr. Stanley Vidrine
Mr. Bobby Williams

MEMBERS ABSENT: Mr. Jerry Holmes

OTHERS PRESENT: Jim Pratt, Executive Director-SRA, Many, LA
Mike Carr, Fac Maint Mgr 3-SRA, Many, LA
Carl Chance, IT Director 1-SRA, Many, LA
Kathy Ebarb, Acct. Spec 2-SRA, Many, LA
Kellie Ferguson, Adm Prog Dir3-SRA, Many, LA

There were fourteen (14) visitors.

Mr. Goodeaux called the meeting to order. Mr. Nash offered the Prayer and Mr. Goodeaux led Pledge. The roll was called and it was noted that Mr. Holmes was absent; however, a quorum was established.

Mr. Goodeaux asked if there were any additions or deletions to the agenda. Hearing none, he asked for a motion to adopt the circulated agenda. **Mrs. Scott moved, seconded by Mr. Arbuckle to adopt the circulated agenda. Motion carried unanimously.**

Mr. Goodeaux stated that he wanted to welcome back Mr. Nash who had been absent for a couple of months due to his being treated in Houston for cancer. He also stated that Mr. Ron Williams had moved to Branson Missouri and he would be missed.

Mr. Goodeaux stated that the minutes of the August 28th, 2014 meeting were in the packet and asked if there were any corrections. **Mr. Foret moved, seconded by Mr. Arbuckle to approve the minutes of the Board meeting of August 28th, 2014 meeting as circulated. Motion carried unanimously.**

STAFF REPORTS:

Item#1-TBPJO: Mr. Pratt distributed a copy of the fall outage repairs which started on September 2nd and is projected to be completed October 18th approximately six weeks. He stated that estimated cost for the repairs is \$900,000.00. He stated that the other project on the eleven spillway gates which are #2, #6, #8 and #10 is nearing completion and a “notice to proceed” has been given to Blasco-Texas to refurbish gates #3, #4, #5 and #11 during this fiscal year. He stated that the lake level for today was 170.11’msl. He stated that only one unit is running for several hours each day. He stated that “buffer” is needed before we go into next spring therefore, the plan is to be around 168.0’ msl by December. He stated that our new engineer, Mr. John Lair will begin as the Project Engineer on October 1st and Mr. Rumsey will be mentoring him at the dam office. Mr. Williams asked what happened that made it necessary to do the unit repairs. Mr. Pratt stated that it is preventative maintenance and the power companies cover the expenses. He stated that in 2002 a complete overhaul of the units was performed.

Item #2-Shoreline/Relicensing: Mr. Chance stated that the license was issued on August 28th 2014 and it is a fifty-year license. He stated that later on the agenda is a resolution to be passed to ask for clarification on several issues. He stated that the order states that within six months after this order has been filed; FERC wants a list as well as a plan to address all encroaching structures within the project boundary line. He stated that staff had attended a workshop on how to put together this information to address this request. He stated that the August Permits: New structures – 7; Transfers – 4; Existing – 4; Water withdrawal: New – 1; Transfer – 1 for a total of seventeen (17) permits and a total of \$691.67 was collected for the month.

Item #3-Operational: Mr. Carr stated that when visiting the parks within the Toledo Bend Division, staff has found that there are several bug infested trees which makes them a safety hazard so the crews are working to remove those trees and grinding the stumps. He stated that the crew took the lift into the parks to lift the canopy to prevent damage to the facilities as well as the campers. He stated that the work on Cabin #9 at San Miguel is complete just awaiting new appliances and furniture. He stated that at the Dam, the transition of the maintenance duties is complete and went very smoothly. He stated that some operational changes have been implemented such as new work

schedules, purchasing, and powerhouse readings etc. He stated that this transition necessitated the hiring of three additional employees as well as moving a Heavy Equipment Operator to the Dam. He stated that the crew will move the stop logs and will have a safety plan in place since this will be the first time that the Louisiana crew has performed this duty. He stated that at the Diversion Canal, Re-Con had made a request to build a structure across the canal for their new pump station which was not accepted by the Board. He stated that the new plan shows that the structure will only go halfway across the canal as recommended by the Board. He stated that all the water sale contracts have been amended and approved by the current industrial companies, except Entergy, and staff has been in contact with them and should have it completed by October 1st. He stated that staff started working on these April 1st of last year and these were to be completed by April 1st 2014. He stated that Entergy has been paying the current price; they just haven't signed the contracts. He stated that the water sales agreement has been finalized with the new water customer that has been discussed and staff is waiting on the signed documents to be sent to our office. He stated that the CIP is moving along and will be completed within 2014 except Project #6, which is the intake at the river at Pump Station #1. He stated that Phase #2, Project #11 is on hold while the current pumps run in order to make sure that the monitoring system is working properly as well as the equipment before refurbishing the base. He stated that Phase #2, Project #12, the third pump to be installed at Pump Station #3 and #4 has been initiated by the bid specs going out and there is an eight-month delivery time on these pumps because the pumps must be built to our specifications. He stated that staff had received a request from Citgo for a reservation of 6,600gpm; and a request from PPG for 6,000gpm in addition to what these companies are already using. He stated that canal #8 is 1.24 miles in length.

Item #4-Financial Report: Mrs. Ferguson stated that the report was included in the meeting packet. She stated that for the months of July & August 2014, the Toledo Bend Division showed revenues were \$908,278.21; expenses were \$1,088,376.42 showing a deficit of \$178,098.21. She continued that the Diversion Canal Division revenues were \$910,571.67; expenses were \$309,986.81 showing a profit of \$600,584.86. She stated that the overall profit/loss for the agency showed a net income of \$422,486.65.

Mr. Vidrine moved, seconded by Mr. Gibbs to accept all the Staff Reports as circulated and presented. Motion carried unanimously.

SPECIAL REPORTS: None.

PUBLIC COMMENTS: Mr. Jim Mifflin, president of the Toledo Bend Citizens' Advisory Committee (TBCAC) addressed the Board concerning the request the resolution for the FERC License Clarification/Modifications. He stated that around Page 17 referring to the 172' msl and 168' msl lake level provisions, in Article #406 which refers to five exceptions to the generating lake level restrictions that were granted in the new FERC license. He stated that Paragraph #17, those authorities concerned, meaning the SRAs of both states could affect the Project's ability to meet the water supply releases, etc... all parties interest should be considered. Mr. Goodeaux stated that the resolution is basically asking for clarification on issues concerning the Authorities' operational capabilities.

OLD BUSINESS: None.

NEW BUSINESS: Item #1-Accept the Annual Audit Report FY'14-Stephen DeRouen, CPA addressed the Board. Mr. DeRouen stated that a copy of the audit report had been included in the meeting packet. He stated that on Page #7 and #8 were the Net Balance Sheets for the agency. He stated that part of the decrease was due to the funds spent for the construction costs at the Diversion Canal. He stated that total assets were down approximately \$600,000.00 as compared to 2013. He stated that on Page #9 and #10 shows the changes in the Net Position which displays that the net income was down in two categories; those being water sales and miscellaneous income. He stated that overall, the authority was in good shape and there were no issues found during the audit. (Complete copy attached.) **Mr. Burgess moved, seconded by Mrs. Scott to accept the FY'14 Audit report as circulated and presented. Motion carried unanimously.**

Item #2-Adopt a Resolution for Statewide Flood Program Application: Mr. Chance stated that the agency had been participating with the Hazardous Mitigation through FEMA for some funds as well as SRA Texas. He stated that our attempts at the same program were not successful and staff found that through DOTD, SRA could make application to purchase properties along the Sabine River in Vernon Parish which of course is a volunteer basis of the landowner. He stated that it would remove these folks

from the flood plain. He stated that staff was ready to submit the application and staff requests a resolution in support of this program for Vernon Parish. Mr. Williams asked about the liability involved with this program. Mr. Pratt stated that this does not change the status of Toledo Bend Reservoir becoming a flood control lake nor does it have any other liability attached to the program. He stated that this program is administered through DOTD's water resources and their legal department. Mr. Chance stated the State would provide some of the funds and any extra funds needed would be provided through TBPJO. He stated that SRA-LA would do most of the "matching" funds through our staff handling the demolition of those properties. He stated it is five properties that have been approved. **Mr. Foret moved, seconded by Mr. Vidrine to adopt this resolution to make application to the Statewide Flood Program for funds to purchase any property voluntarily surrendered by property owners, in Vernon Parish on the Sabine River, that's considered in the flood plain. Motion carried unanimously.**

Item #3-Approve Waste Water Pond Project: Mr. Carr stated that the wastewater treatment plant that was built to service Cypress Bend Resort and Bailey Bluff condominiums is in immediate need of refurbishing. He continued that staff has estimates of refurbishing the plant of approximately \$150,000.00. He stated that this would be equipment only and the plant is in need of painting estimated at \$30,000.00. He stated that this would require continuous maintenance and operation. He stated that estimates of a new plant to handle a reduced amount of 25,000 gallons per day are \$200,000.00 plus engineering fees. He stated that DEQ has stated that they would permit a wastewater pond in this area to serve our needs of 25,000 gallons per day. He stated that DEQ also requires engineered drawings before construction. He stated that Balar and Associates has offered to do engineering on this project for approximately \$30,000.00. He stated that using SRA personnel and equipment it is estimated that the pond can be built to include levees, fencing, gates and chlorination for approximately \$90,000.000. He stated that staff recommends to the Board that we enter an agreement with Balar and Associates for design and engineering for this project to include those costs and the construction budget costs of \$90,000.00 for a total budget for this project of \$120,000.00 and allow the Executive Director to complete all documents relating to this project. **Mr. Burgess moved, seconded by Mrs. Scott to approve the waste water pond project at the**

approximate cost of \$120,000.00 with engineering services to be provided by Balar & Associates and to authorize the Executive Director to execute the necessary documents. Motion carried unanimously.

Item #4: Election of Secretary/Treasurer: Mr. Goodeaux stated that the floor was open for nominations for the office of Secretary/Treasurer which has been vacated by Mr. Ron Williams who has resigned and relocated. **Mr. Foret nominated Mr. Frank Davis for the office of Secretary/Treasurer, and the nominations cease, seconded by Mr. Burgess. Mr. Davis was elected by acclamation.**

Item #5: Approve Waste Management Contract: Mrs. Ferguson asked that Mr. Medlock address this item. Mr. Medlock stated that this is the annual contract with Progressive Waste Company who supplied dumpsters for disposable wastes for our parks and exchanged them when necessary. He stated that the cost was \$15,000.00 for the current fiscal year. He stated that the price increase was due to the fact that SRA is no longer considered within the State Districts for contract services which means that the agency will be responsible for bidding out all services. **Mr. Nash moved, seconded by Mr. Gibbs to approve the contract at the cost of \$15,000.00 with Progressive Waste Company to supply dumpsters for disposable waste for all the SRA parks. Motion carried unanimously.**

Item #6: Adopt Resolution for FERC License Clarification/Modification: Mr. Pratt stated that he would like to read the resolution before any discussion. (See attached copy) **Mr. Bobby Williams moved, seconded by Mr. Cupit to adopt the resolution in support of requesting clarification/modification from the FERC concerning the license granted to the Authorities on August 29th 2014. Motion carried unanimously.**

COMMITTEE REPORTS:

- 1) Diversion Canal: Mr. Foret stated that the minutes of the August 25th meeting were included in the Board packet. **Mr. Foret moved, seconded by Mr. Gibbs to approve the minutes of the Diversion Canal Committee meeting of August 25th 2014 as circulated. Motion carried unanimously.**
- 2) Parks: Mr. Goodeaux stated there had been no meeting. He stated that the chairman's office had been vacated when Mr. Ron Williams moved; therefore

a new chairman needed to be elected. The floor was opened for nominations.

Mr. Foret nominated Mr. Frank Davis and that the nominations cease, seconded by Mrs. Scott. Mr. Davis was elected by acclamation.

3) Leaseback: No meeting

4) Finance: No meeting

5) Water Sales: No meeting.

6) Fishery & Lake Management: No meeting.

LEGAL REPORT: Mr. Pratt stated no report.

EXECUTIVE DIRECTOR'S REPORT: Mr. Pratt stated that Mr. Chance had accompanied him to a meeting of the Coastal Protection and Restoration Authority. He stated that he presented an update on the information that had been studied and submitted to FERC during the re-licensing efforts. He stated that Mr. Powell had been at the last meeting and had invited the agency to Mansfield and as a result of that visit, he invited me to speak to the Mansfield Lions Club. He stated that the insurance benefits are changing and all the employees will be meeting today to discuss the changes since the enrollment period begins October 1st thru October 31st to become effective January 1st 2015. **Mr. Foret moved, seconded by Mr. Gibbs to accept the Executive Director's report as presented. Motion carried unanimously.**

Mr. Goodeaux stated that it saddens to let everyone know that Mr. Ricky Yeldell, Biologist with La Wildlife & Fisheries, who has been assigned to Toledo Bend Reservoir for several years, would be retiring in October. He stated that SRA has appreciated all of his efforts for the betterment of Toledo Bend Reservoir. He stated that Mr. Tom Harwell from ALH, No.5 and Cypress Bend Resort and Conference Center is visiting with us today. He stated that he had been invited to hear Mrs. Gloria Thompson's thesis presentation for her Master's Degree and it was very well done.

Mr. Goodeaux stated that the next meeting would be October 23rd 2014 at 1:00pm at the Clista Calhoun Center in Mansfield, Louisiana if the Board so wishes to do so.

Mr. Gibbs moved, seconded by Mr. Cupit to hold the October meeting in Mansfield, LA. Motion carried unanimously.

With no further business to discuss, Mr. Goodeaux asked for a motion to adjourn.

Mr. Cupit moved, seconded by Mr. Foret to adjourn. Motion carried unanimously.

Meeting adjourned at 2:15 pm.

NED GOODEAUX, CHAIRMAN

THERMAN NASH, VICE-CHAIRMAN

ATTEST:

FRANK DAVIS, SECRETARY