

1 April of 2019, the water rate will be increased from \$.23 cents to \$.26 cents per thousand
2 gallons and based on our current water sales, this will add an additional \$600,000 to the
3 revenue. He stated that currently the Diversion Canal has 40,00GPM reserved and it is
4 safe to expect to deliver approximately 12,000GPM in 2019. He stated that delivering
5 12,00GPM in addition to our current delivery at the new price of 26cents per thousand
6 will increase revenue approximately \$1.5 million dollars. He stated that in 2011, a bond
7 issue was done to begin the current Capital Improvement Plan. He stated that revenue at
8 the Diversion Canal has shown a substantial profit which has provided enough revenue to
9 cover operating costs. He stated that the Capital Improvement Plan Phase II is a list of
10 items that staff has felt necessary for upgrading the canal system to enhance its ability to
11 service all industrial and agriculture customers in the area with no additional cost for
12 operation and maintenance. He stated that items on the list are as follows: Upgrade pump
13 capacity to 35,00GPM at Pump Station #3; Additional diesel bypass pump at Pump
14 Stations #3 and #4; Flow meter and control valve upgrades at metering stations; Upgrade
15 all metering station equipment at all metering sites; Repair & repaint pump station
16 discharge pipe and above ground pipeline; Repair discharge canal erosion at Pump
17 Station #1; Reskin the Pump Station metal building; Siphon Crossing Canal #6 (Beglis
18 Parkway) rehabilitation; Rehabilitation of Bridge Crossing on canal levees and drainage
19 ditches; Installation of 4th pump at Pump Station #1; and Rehabilitation of Siphon C36.
20 He stated that staff is requesting that the Committee recommend to the Board to approve
21 staff moving forward with discussions with bond counsel, engineering, and a financial
22 adviser to ensure a Bond Issuance is feasible for the Diversion Canal to fund the
23 proposed upgrades. Mrs. Ferguson stated that if the Board approves moving forward with
24 the discussions of a bond issue, the plan is to include retiring the 2011 Bond Issue. After
25 some discussion, Mr. Foret asked for a motion to recommend to the full Board to allow
26 staff to move forward with discussions concerning the need for a bond issue proposal.
27 **Mr. Vidrine moved, seconded by Mrs. Scott to recommend to the full Board to**
28 **approve staff moving forward with discussions of a possible bond issue for the**
29 **Diversion Canal Capital Improvement Plan-Phase II as to the specific projects that**
30 **would be funded and have bond counsel to bring the recommendation to the full**
31 **Board a resolution for approval in July. Motion carried unanimously.**

1 With no further business to discuss, **Mr. Cupit moved, seconded by Mr.**
2 **Vidrine to adjourn. Motion carried unanimously. Meeting was adjourned at**
3 **11:33am.**

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JIMMY FORET, CHAIRMAN