

**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, AUGUST 27TH, 2015**

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

MEMBERS ABSENT: None

OTHERS PRESENT: Jim Pratt, Executive Director-SRA, Many, LA
Becky Anderson, Adm Asst 5-SRA, Many, LA
Carl Chance, IT Director 1-SRA, Many, LA
Mike Carr, Fac Maint Mgr 3-SRA, Many, LA
Kellie Ferguson, Adm Prog Dir3-SRA, Many, LA
There were fourteen (14) visitors.

Mr. Cupit called the meeting to order. Mr. Nash offered the Prayer and Mr. Cupit led Pledge. The roll was called and it was noted that all members were present; therefore, a quorum was established. .

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

Mr. Cupit stated that the minutes of the June 25th, 2015 meeting were in the packet and asked if there were any corrections. **Mr. Gibbs moved, seconded by Mr. Arbuckle to approve the corrected minutes of the Board meeting of June 25th, 2015 meeting. Motion carried unanimously.**

STAFF REPORTS:

Item#1-TBPJO-Mr. Pratt stated that he would give the overall engineering report and Mr. Carr will give the operational report. He stated that the wooden “stake” before each Board member is one of the original surplus stakes that were used to survey the Project in 1963. He stated that a member of the SRATX staff thought it would be nice to commemorate the anniversary of the project as well as to commemorate the new license and suggested that Joint would have a “stake” made for each Board member of Texas and Louisiana. He stated that the lake level today is sort of high for this time of year at 170.07’msl. He stated that staff received notice this morning that Entergy would be running one unit 24/7 until further notice. He stated that the lake level possibly would be around 168.0’msl at the end of September and during the hurricane season. He stated that Unit 2 is down possibly for several days/weeks for investigation of the same issue of a leaking seal. He stated that staff is awaiting a report as to exactly what is the problem and how to resolve it. He stated that the annual fall outage that Entergy performs each year will be done in September.

#2-Shoreline: Mr. Chance stated that he would give the Shoreline report first. For the Month of June: New Structures- 2; Transfers-5; New Water withdrawal-0; Transfer Water withdrawal-1 Total fees collected: \$345.00. For the Month of July: New Structures-2; Transfers-4; New Water Withdrawals-1; Transfer Water withdrawal-1 Total fees collected: \$410.00. He stated that the Facebook pages weekly totals for last week were: SRA page-1,600; Cypress Bend-4,500; Pleasure Point-985 and Oak Ridge-200. He stated that he Web page hits for last month were 323 which is down probably due to summer coming to an end and no high water event through the spillway. He stated that FERC compliance continues with the Texas and Louisiana Staff attending a HPMP training session as required by the License on July 21st 2015. He stated that Article 410 Recreation Plan Revision is to be submitted by Friday August 28th 2015 at the close of business. He stated that staff is working on preparing a Public Safety Plan and signage report as required by Article 306. He continued that the Team has submitted the Erosion Monitoring Plan for Non-federal lands to the agencies for any suggestions they may have as required by Article 401. He stated that the first year studies (of 15 years) for cultural resources contractor is in the field this week and a conference call has been scheduled for

Friday August 28th. He stated that work continues on the Upstream Eel Passage Plan as required by Section #18 Prescription in Appendix B of the License.

Item #3-Operational: Mr. Carr stated that at the Toledo Bend Division the crew continues to work on the Wastewater Treatment Pond. He stated that work has been done on the irrigation system in all the flower beds. He stated that the Shoreline Office remodel project has been completed and the remodeling of the kitchen has started. He stated that work with electrical contractors for primary wire move at San Miguel Park to allow building of the new office has begun. He stated that the site prep and tree removal has been completed for the office. He stated that the buoy crew has been on the water maintaining the navigational aids. He stated that the slope work at Oak Ridge Park is complete. He stated that the crew has performed general maintenance on all cabins and RV sites in the parks. He stated that he had met with TBLA in regards to a Cooperative Endeavor Agreement for playground equipment at San Miguel Park and are waiting for a reply. He continued that at the Dam, the crew has completed the construction of the access road to the spillway apron for the contractor. He stated the repair work was performed on the water well at the Texas Office and an irrigation system was setup for the office yard. He stated that the crew repaired the buoy line at the powerhouse and replaced damaged buoys. He stated that a 6-inch culvert was installed on the toe ditch road at the dam. He stated that the crew has cut all trees out of the spillway channel and removed dead trees behind the Texas Office. He stated that the crew assisted the contractor with moving their equipment back in onto the spillway apron. He continued that all spillway canopies were steam cleaned and then sprayed with insecticide. He stated that the piezometers head test on the main levee has been completed. He stated that the crew continues to do general mowing, clean-up and road maintenance at the project. He stated that at the Diversion Canal Division, the crew has been researching water quality monitoring equipment that is compatible with our SCADA System. He stated that Project #7 which was to refurbish the motors and drives has been received back from Drive Source International and staff is preparing a bid package for the new pumps which is Project #11. He stated that CIP Projects #2, #4, and #5 (pump station electrical upgrades) are complete with the only outstanding invoices being for engineering closeout. He stated that all four of the temporary crossings are complete and

being used by Sasol. He stated that Westlake Petrochem has asked for an increase of their demand rate from 6,000GPM to 7,350GPM and staff has granted this request under Article II, Section 2 of the Water Sales Agreement effective August 1, 2015. This demand will remain in effect until April 1, 2019 at which time; the Demand Rate will be evaluated as per Article II, Section 3 and adjusted as needed. He stated that staff has been contacted by a company interested in water to be taken from Canal #2 just west of Highway#388 and staff will look at the feasibility to deliver the water. He stated that staff has met with Sasol concerning their request for permanent crossings, with MTG concerning their pump station move, and with Lake Charles Methanol about their new pump station of which all items are on the agenda for Board action.

Item #4-Financial Report: Mrs. Ferguson stated that there was no report issued within the Board packet. She stated that the annual audit had been performed during the week of August 9th-13th which was due to the Legislative Auditor's Office by September 1st 2015. She stated that staff is awaiting the final adjustments from the Auditors once approval has been received by the Legislative Auditor's Office. **Mr. Burgess moved, seconded by Mrs. Scott to approve the Staff Reports as circulated and presented. Motion carried unanimously.**

SPECIAL REPORTS: Update on Aquatic Vegetation on Toledo Bend: Jason Brancamp, biologist manager, Inland Fisheries Division of LA Department of Wildlife & Fisheries of District 10 gave a brief update on the Aquatic Vegetation on Toledo Bend. He stated that his offices as well as the contract sprayers were working on various areas on the lake. He stated that over 900 acres had been sprayed which included areas of Negreet Creek, Lanana Creek and San Patricio Creek/Hot Wells and when the contractor has completed his contract, 509 acres would have been done this year. He stated that he received notification on the "flowering yellow heart" plant that has appeared in the United Bay area. He stated that this plant is easy to kill, but it is so small that any wave action tends to "rinse" the herbicide from the plant. He stated that his office had been moved to Natchitoches and they were getting settled. Mr. Pratt stated that if anyone had a request for spraying in their area, they could call the SRA office and staff would be glad to take the information down and email it to Jason so he can pass the request onto his staff.

PUBLIC COMMENTS: Mr. Rodney Schamerhorn a candidate for State representative of District #24 introduced himself and explained to the Board that he hoped that those in his district would consider him in the October election. Mr. Frankie Howard, incumbent State Representative of District #24 addressed the Board. He thanked the Board for all of their support and the great job that SRA does for Toledo Bend Lake and the Sabine River. He reminded them that he too was a candidate for re-election in October. Mrs. Linda Curtis-Sparks addressed the Board to thank them again for their support and to apologize for not recognizing them at the “Toledo Bend Lake Celebration” which was held at Cypress Bend Resort.

OLD BUSINESS: Item #1- Update on Hazardous Mitigation Plan Contract (HMP) with MPTK & Associates: Mr. Chance stated that FEMA and the Governor’s Office of Homeland Security and Emergency Preparedness require the Hazard Mitigation Plans be updated every five years. He stated that MPTK & Associates of Natchitoches, Louisiana had served as the lead developer and project manager for the original HMP for SRA in 2011 and has worked with SRA on related hazard mitigation project developments. He stated that this group is wrapping up the HMP update for SRATX at the cost of \$30,000.00; however, the proposed update for SRALA has to be completed by April 2016 and MPTK & Associates is willing to provide the service to SRALA at the cost of \$23,000.00. **Mr. Gibbs moved, seconded by Mr. Holmes to approve the contract with MPTK & Associates to update the Hazard Mitigation Plan at the cost of \$23,000.00. Motion carried unanimously.**

Item #2: Matheson Tri-Gas Pump Station: Mr. Carr stated that at a previous meeting, the Board had approved in concept the configuration and location of a new pump station for Matheson Tri-Gas (MTG). He stated that the company is ready to build the Pump Station in the configuration circulated within the packet. He continued that the Demand Rate is going to move from 122GPM to 1,000GPM. He stated that staff is requesting approval to amend the current Water Sales Agreement by changing the transfer of custody location, changing the Demand Rate and moving forward with a Permanent Servitude agreement and right-of-way (ROW) for their access to the new Pump Station and to have the Executive Director execute the necessary documents. **Mr. Burgess moved, seconded by Mr. Arbuckle to approve the Matheson Tri-Gas Pump**

Station Permanent Servitude Agreement and right-of-way (ROW) for access to the new Pump Station and to amend the current Water Sales Agreement by changing the transfer of custody location, and changing the Demand Rate as well as to authorize the Executive Director to execute the necessary documents. Motion carried unanimously.

NEW BUSINESS: Item #1-Approve Bi-Annual Broussard, Pouche', Lewis & Breaux audit of ALH, No.5-Cypress Bend Golf Resort: Mrs. Ferguson stated that a copy of the report was circulated in the Board packet. She stated that there were no significant findings. **Mr. Goodeaux moved, seconded by Mr. McCormic to approve the bi-annual audit of ALH, No.5-Cypress Bend Golf Resort by Broussard, Pouche', Lewis & Breaux. Motion carried unanimously.**

Item #2: Adopt Resolution for Authorized Signers for Whitney Bank: Mrs. Ferguson stated that a copy of the Resolution was circulated in the Board packet. She stated that this resolution was a requirement of the Bank. **Mr. Nash moved, seconded by Mr. Burgess to adopt the resolution for authorized signers for Whitney Bank which include the following: for depositing funds-Kellie Ferguson, Lynn Maines and Esther Burnette as well as the positions that are authorized to deposit, withdraw, transfer and invest funds-Executive Director, Deputy Director, and Administrative Director. Motion carried unanimously.**

Item #3: Approve Acquisitions for FY'15-'16: Mrs. Ferguson stated that she had prepared a list of the items that staff is requesting to be purchased for Toledo Bend Division as well as Sabine River Diversion Canal. She stated that previously approved but have not yet received for FY'14-'15 was a truck (\$22,774) for Shoreline and a dump truck (\$95,625) with trailer (\$24,650) for SRD. She continued these items would have to be paid for during this fiscal year. She stated that staff is requesting to purchase 2-used trucks from Federal Surplus at (\$11,900 each), a 30ft Excavator (\$165,000), 1-new ½ ton truck and 1-new one-ton truck (unless these can be purchased from Federal Surplus) (\$55,000) along with a Server and 2-new laptops (\$25,000). She stated that the total cost would be \$411,849.00. **Mrs. Scott moved, seconded by Mr. Goodeaux to approve the acquisition requests for FY'15-'16 for a total cost of \$411,849.00. Motion carried unanimously.**

Item #4: Lake Charles Methanol Water Infrastructure Agreement & Water Sales Agreement: Mr. Carr stated that this company in June 2007 had paid an application fee of \$10,000.00 under the name of Lake Charles Cogeneration, (LCC) and signed a Water Sales Agreement in April 2008 with the demand rate of 8,500 GPM. He stated that in 2012, this reservation was renewed. He continued that in April 2014, they renewed their reservation agreement with an increased demand rate of 10,000 GPM under Lake Charles Clean Energy (LCCE). He stated that this same time, staff prepared a Water Infrastructure Agreement (WIA) and a Water Sales Agreement (WSA) with LCCE for their Pump Station. He stated that in May 2015, the project was revived under the name of Lake Charles Methanol (LCM) and in June 2015, staff prepared another Water Reservation Agreement for 10,00GPM and they have been paying for that reservation since that time. He stated that during the January 2015 to June 2015 the fee was not pad; however, they have paid over \$300,000.00 in reservation fees plus the \$10,000.00 application fee. He stated that the company is requesting a WIA and another WSA which would outline the construction of another pump station completely funded by LCM and designed by and built by SRA and the ownership would then convert to SRA along with all maintenance and operation. He stated that staff is recommending the Board approve entering into a WIA and WSA with LCM and allowing the Executive Director to execute the necessary documents. **Mr. Burgess moved, seconded by Mr. Arbuckle to approve the request by Lake Charles Methanol for a Water Infrastructure Agreement and a Water Sales Agreement and that the Executive Director execute the necessary documents. Motion carried unanimously.**

Item #5: Permanent Crossings Request for Sasol: Mr. Carr stated that Sasol has requested permission to install three (3) permanent crossings across the SRA Canal System. He stated that the crossings are as follows: 1) Permanent servitude for a pipe rack to handle up to thirty-three (33) pipes of various sizes; 2) Permanent servitude for a road/railroad combination crossing; and 3) Permanent servitude for a road crossing. He stated that all three crossings would be completed at no cost to SRA. He continued that the staff has met with Fluor Engineering and Sasol Representatives to review conceptual drawings and agree on the project's basic conception. He stated that staff's recommendation to the Board is to grant Sasol a permanent servitude for those properties

needed for the pipe rack crossing, the road/railroad combination crossing, and road crossing; also, SRA will enter into a Water Infrastructure Agreement with Sasol and to authorize the Executive Director to execute the necessary documents. **Mr. Nash moved, seconded by Mr. Arbuckle to approve the three permanent crossings requested by Sasol with SRA granting permanent servitude for the needed property for these crossings as well as SRA entering into a Water Infrastructure Agreement with Sasol and to authorize the Executive Director to execute the necessary documents.**

Motion carried unanimously.

COMMITTEE REPORTS:

- 1) Diversion Canal: No meeting.
- 2) Parks: No meeting
- 3) Leaseback: No meeting.
- 4) Finance: No meeting.
- 5) Water Sales: No meeting.
- 6) Fishery & Lake Management: No meeting.

LEGAL REPORT: Executive Session: **Motion to convene into Executive Session was made by Mr. Cupit seconded by Mr. Goodeaux. Motion carried unanimously. Motion to re-convene from the Executive Session was made by Mr. Goodeaux seconded by Mr. Nash. Motion carried unanimously. No necessary action resulted from the Executive Session.**

EXECUTIVE DIRECTOR'S REPORT: Mr. Pratt stated that Mrs. Curtis-Sparks brought everyone up-to-date on the Bass Master issues and according to staff, Cypress Bend Park is booked for the May 19th-21st 2016 event. He stated that hopefully this will have a "ripple" effect for all the local businesses too. He stated that staff is prepared for the Labor Day weekend. **Mr. Goodeaux moved, seconded by Mr. Gibbs to approve the Executive Director's report as presented. Motion carried unanimously.**

Mr. Cupit stated that the next meeting would be September 24th, 2015 at 1:00pm at the Pendleton Bridge Office Many, Louisiana. .

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

**Mr. Burgess moved, seconded by Mr. Vidrine to adjourn. Motion carried
unanimously. Meeting adjourned at 2:32 pm.**

DANNY CUPIT, CHAIRMAN

ATTEST:

NED GOODEAUX, VICE-CHAIRMAN

FRANK DAVIS, SECRETARY