

1 to approve the minutes. **Mr. Vidrine moved, seconded by Mrs. Scott to approve the**
2 **minutes of the Board meeting of May 25th 2017 meeting as circulated. Motion**
3 **carried unanimously.**

4 **STAFF REPORTS:**

5 **Item#1-TBPJO-**Mr. Guidry stated that generation report was included in the
6 packet. **Powerhouse Operation:** He stated that Unit #1 runs at a power rate of 40MW at
7 7000cfs and Unit #2 runs at 35MW at 6400cfs. He stated that Primary power gross
8 energy delivered for May was 4508MWH and Secondary power gross energy was
9 1977MWH for reservoir level control. He stated that Primary power gross energy
10 calculated through June 26th was 1421MWH and Secondary power gross was 23,634
11 MWH for reservoir control. He stated that the plan is turn over to Entergy for possible
12 Primary generation by Saturday, July 1st. **Reservoir Levels/Status:** He stated that
13 inflow for the month of May was 331,169AF and releases for the month were
14 120,659AF. He stated that the starting reservoir level was 170.81' and ending level
15 171.99'msl. He stated that the eel traps were removed in anticipation of opening the
16 gates due Tropical Storm Cindy which crossed Toledo Bend on June 22nd. He stated that
17 the eel traps were re-deployed to the spillway apron June 27th. **Spillway Status:** He
18 stated that FNI continues to work on engineering plans for required spillway repairs. He
19 stated that a draft of the basis of design review set drawings representing 75% of the
20 design effort has been received by SRA; internal comments are being collected by SRA
21 for possible editions prior to submitting to FERC. He stated that the basic design covers
22 background, condition assessment, environmental assessment, hydraulic analysis,
23 petrographic testing, soil cement repairs, structural repairs, and care of water during
24 construction. He stated that the target date for execution of work is the Fall 2017. He
25 stated that SRA received a review of the inclinometer report for readings taken on the
26 spillway apron on May 2nd from the FNI engineer which stated that the readings were
27 not portraying a situation that could compromise the structural integrity of the spillway.
28 **Dam Status & FERC:** He stated that there is no significant change from last month. He
29 stated that dikes #1 and #2 were assessed for tree removal by Project crew and this work
30 will begin when reservoir level drops. He stated that the rip-rap was on SRA property
31 and work to place on the upstream face of Dike #3 is about 35% done. **NERC:** He

1 stated that compliance continues with Certec assistance and coordination with Entergy.
2 **Powerhouse Relief Wells:** He stated that North side wells (#17 & #19) flowing at
3 ~100gpm and the South side wells (#16 & #18) flowing at ~300gpm. He continued that
4 these wells are still on manual control and running continuously. He stated that the wells
5 are relieving uplifting water pressure below the Power House and Discharge Channel.
6 He stated that water depths of the wells was read and showed that the water level is being
7 held below the target level of 85' msl. He stated that wells #17 & #19 turn off
8 occasionally and the reason is yet to be determined. He stated that on June 20th a buildup
9 test was conducted on Wells #17 & #19 and after some discussion with Jason Stevenson,
10 water well driller with MK Construction, the buildup rates indicate that these wells are
11 free.

12 **Item #2-Shoreline:** Mr. Chance stated that the activity for the Shoreline
13 department was as follows: during the month of **MAY 2017: New Structures:10 @ \$35**
14 **total \$350; Transfer Structures: 0 @ \$35 total \$0; New Water Withdrawals: 0 @**
15 **\$100 Water Withdrawal Transfers: 0 for a total of 10 permits with total receipts of**
16 **\$350. FERC Compliance:** Mr. Chance stated that on June 6th, Jim Brown, Dr.
17 Quiggle and I had a conference call with Phil Cross of the Caddo Nation of Oklahoma in
18 an attempt to complete the HPMP requirement of conducting a Traditional Cultural
19 Properties survey within the Project. He stated that the other tribes that were notified to
20 participate had failed to do so. He stated that the call resulted in SRA's sending copies of
21 all the Cultural Resource work that has been completed and walking Mr. Cross through
22 an orientation of the requirements of the HPMP and how SRA wishes to proceed. He
23 stated that he would be review the data, put together the team he needs to get this
24 requirement completed. He stated that the extension granted by FERC is soon to expire
25 so the group will ask for another once a timeline has been determined with Mr. Cross.
26 Mr. Davis asked if staff could put together a report of the shoreline audits that have been
27 completed. Mr. Chance stated that he would prepare this report. He stated that there has
28 been one eel caught in the traps and the May electro fishing for eels was done on May
29 25th after dark. He stated that nineteen eels were captured in the spillway and another ten
30 observed but were not captured. He stated that nine of the eels were saved for the LDWF
31 study and the others released. He stated that three eels were captured in the tailrace and

1 four more observed but not caught. He stated that all of these were saved for LDWF
2 which completed the thirty needed for the study. He stated that the June electro fishing
3 was done on the 19th where nine eels were captured in the spillway and seven more
4 observed but all were released. He stated that two eels were captured in the tailrace and
5 one observed; the two were released. He stated that the Year #2 audit of the shoreline
6 continues with structures needing repair and permit plates not visible seems to be
7 prevalent. He stated that staff has noted several additional encroachments to be verified
8 as time permits. He stated that FERC has not ruled on the M5 water withdrawal facility
9 approved by the Board last month. He stated that the week ending May 21st, the Cypress
10 Bend Park Facebook page had a weekly reach of 22,564 which is a good way to reach the
11 public.

12 **Item #3-Operational: Toledo Bend Division:** Mr. Carr stated that work on the
13 Pleasure Point seawall continues to be delayed due to high water levels. He stated that
14 the routine park maintenance and weekend callouts continue and increase as visitor usage
15 increases. He stated that the crew is starting on the concrete work for the pads in the
16 brown section of Cypress Bend RVs. He stated that the crew is continuously mowing
17 and weed eating whenever weather permits. He stated that refurbishing the cabins at
18 Cypress Bend has begun when one comes available. **Sabine Diversion Canal:** He
19 stated that the reports were included in the packet. He stated that a report of the KCS
20 Expansion was passed out. He reminded the Board that KCS asked SRA to oversee the
21 project which has been done working closely with Meyer & Associates. He continued
22 that staff feels that this project is a long lasting maintenance free installation and an
23 additional asset to SRA of over \$6million. He stated that water is flowing through the
24 newly installed pipes. He stated that the third pump for Pump Stations #3 & #4 are to be
25 delivered sometime the last week of June. He stated that staff is working with the
26 manufacturer to hold delivery until we get the valves installed at Station #4 to eliminate
27 double handling. He stated that a diving company has been contracted to inspect the
28 sumps that the pumps will be using. He stated that at PS#4 Valves, 3rd pump install and
29 maintenance deck install; staff is working with all parties to correct questions of cost and
30 to schedule the valve replacement with Citgo. Citgo still has not furnished SRA a date
31 for shutdown which now may be August. He stated Sasol Permanent Crossings #1 and

1 #2 are being dredged to remove silt from the canal bottom and this should be complete by
2 June 29th. He stated the I-10 North Frontage Road is moving forward with a contractor
3 clearing the frontage road length and is building the road base. He stated that the work
4 on their box culvert installation in the CPPJ drainage lateral on the east side of the SRA
5 canal is almost complete. He stated that SRA lowered the canal water level and they
6 have installed their bypass pipe. He stated that staff has addressed all comments
7 submitted during the comment period for the application for the dredging of Canal #1 and
8 these were sent to USACE for approval. He stated that the one proposal received is being
9 used for construction cost purposes, but official bids will hopefully go out in July. He
10 stated that the water quality equipment instruments have been ordered. He stated that
11 staff is planning and scheduling to install handrails on the cat walks at PS's #3 & #4 to
12 enhance safety measures as well as provide a better surface for mounting the equipment.
13 He stated that a contract has been entered into with CC Lynch to install the equipment at
14 PS#1 discharge and PSs #3 & #4 intake. He stated that Carl and Matt will work on
15 providing the web based information to our customers. He stated that one of the
16 handouts shows the much needed improvements at the SRD in order of staff's priority at
17 a total cost of about \$10 million dollars. He stated that at some point, it will be necessary
18 to do a bond issue to finance these improvements. He stated that the Lyondell Property
19 has been sold to Bio Lab and staff has completed a new Water Sales Agreement (WSA)
20 with them allowing for a demand rate of 500gpm and it is in effect now. He stated that
21 this WSA will expire on April 1, 2019 with all the other Industrial Customers in
22 Calcasieu Parish. He stated that he understood there was some discussion about the new
23 Texas Pump Station's ability to deliver 85 million gallons per day which in comparison
24 to our Pump Station #1 currently has the capability of delivering about 72 million gallons
25 per day with one pump running. He continued that there are a total of three pumps at that
26 Station with room for a fourth. He stated that Gene Guidry, Phil Finn, Matt Istre and he
27 had met with the Lake Area Industrial Alliance on June 7th at 7am and made a
28 presentation on the SRD operations and Capital Improvements also discussing the
29 potential value of water increase along with some future Capital Improvement Project
30 that are planned for the Canal. He stated that a group email was sent to all SRD
31 Industrial Customers asking for comments on the increase in the water value and

1 responses were received from Citgo, Louisiana Pigment, Entergy, Sasol, and Westlake
2 Petrochem and after some discussion and explanations, all were received with a positive
3 effect.

4 **Item #4-Financial Report:** Mrs. Ferguson stated that the financials were
5 included in the meeting packet. She stated that she would review the totals for the month
6 of May and if there were any questions, she would be glad to answer them. She stated
7 that for the **Toledo Bend Division** May revenue was \$540,689.32; expenses were
8 \$1,023,231.46 showing a loss of \$482,542.14. She stated that for the **Sabine Diversion**
9 **Canal Division** May revenue was \$430,201.87 with expenses of \$194,096.38 showing a
10 profit of \$236,105.49. She stated that Civil Service had performed an audit for the
11 Agency which there was a few minor corrections that had to be addressed before the July
12 12th deadline. She explained that Civil Service was re-vamping the merit increase system
13 for State Employees. She stated that every three years, the State Legislative Auditor's
14 Office issues a request for proposals on behalf of SRA for those interested in performing
15 the annual audit. She stated this time-our current auditor Mr. Steve DeRouen was under
16 bid by The Broussard Group who had the contract six years ago when Mr. DeRouen was
17 awarded the contract. She continued that the contract with The Broussard Group is for
18 annual audit years 2017, 2018, and 2019 at the cost of \$15,500 per year and she asked the
19 Board to approve the contract when the Staff Reports are approved since it was over
20 \$10,000. She stated that the new auditor would arrive sometime early August to
21 perform the audit and the report has to be submitted to the State Legislative Auditor's
22 Office by September 5th and would be presented to the Board at the September meeting.

23 **Mrs. Scott moved, seconded by Mr. Goodeaux to approve the Staff Reports as**
24 **circulated and presented as well to include approval of the contract with The**
25 **Broussard Group to perform the annual audit for '17, '18', and '19 for \$15,500 per**
26 **year. Motion carried unanimously.**

27 **SPECIAL REPORTS:** Mr. Bobby Williams stated that the Sabine River
28 Compact Administration had met in New Orleans on June 1st at which time the water
29 quality of the Sabine River was noted to be of good quality. Mr. Jim Mifflin, president of
30 TBLA addressed the concerning water sales from the reservoir.

31 **PUBLIC COMMENTS:** None.

1 **OLD BUSINESS: Item #1- Approve Water Rate Revision:** Mr. Founds stated
2 that Mr. Carr and Mr. Guidry had visited with the industrial customers of the Diversion
3 Canal and, he had contacted the Industrial Customers on Toledo Bend by email,
4 expressed to them the increase in the value of water from the Sabine River/Toledo Bend
5 Reservoir. Mr. Carr stated that he had also sent an email asking for comments after the
6 presentation had been made and those that did respond were in agreement. He stated the
7 rate would increase the industrial customers by three cents per thousand gallons resulting
8 in a new rate of eighteen cents per thousand gallons. **Mr. Burgess moved, seconded by**
9 **Mr. Holmes to approve the Water Rate Revision to be effective July 1, 2017. Motion**
10 **carried unanimously.**

11 **NEW BUSINESS: Item #1-Request to amend the By-laws, Article IX,**
12 **Section #14:** Mr. Williams stated that he had notified staff and board members
13 of his proposed changes to the by-laws. **Mr. Williams moved, seconded by Mr.**
14 **Burgess to approve changing (b) to state the Chairman shall serve on the TPJO**
15 **Board. Yeas: 1 Nays: 10 Absent: 2. Motion failed. Mr. Williams moved,**
16 **seconded by Mr. Arbuckle to approve changing (c) to state that no member shall**
17 **serve more than two (2) 2-year terms. Yeas: 1 Nays: 10 Absent: 2 Motion failed.**
18 **Mr. Williams moved, seconded by Mr. Goodeaux to approve adding item (d) to state**
19 **that the Toledo Bend Project Operations Board shall hold at least one “official”**
20 **meeting within Sabine Parish, Louisiana. Yeas: 1 Nays: 10 Absent: 2. Motion**
21 **failed.**

22 **Item #2: Equipment Lease with John-Deere-Cypress Bend Resort:** Mr. Don
23 Brennan, ALH, No 5 representative, stated that it was necessary to replace a fairway unit
24 and instead of purchasing a brand new one, it was more cost effective to enter into a lease
25 for \$2,000 per month which would be paid from the Replacement Reserve Account. **Mr.**
26 **Goodeaux moved, seconded by Mr. Vidrine to approve the equipment lease with**
27 **John Deere for equipment for Cypress Bend Resort from ALH, No.5. Motion**
28 **carried unanimously.**

29 **Item #3: Accept ALH. No 5 Bi-annual Audit Report:** Mrs. Ferguson stated
30 that Mr. Don Kelly had performed the audit which covered the June 1st -Dec 31st 2016
31 period. She stated that a copy of the corrected audit had been included in the Board
32 packet. She stated that the finding was that the rent owed to SRA was \$28,466.00 which
33 had not been paid. She stated that at the present time, this rent has been brought up-to-
34 date. **Mr. Vidrine moved, seconded by Mrs. Scott to accept the ALH, No.5 Bi-**
35 **Annual Audit Report for June 1st thru December 31st 2016 as circulated and**
36 **presented. Motion carried unanimously.**

37 **Item #4: Election of Officers:** Chairman Gibbs opened the floor for nominations
38 for the office of Chairman, Vice-Chairman and Secretary. **Mr. Goodeaux nominated**
39 **Mr. Gibbs-Chairman, Mr. Burgess-Vice Chairman and Mrs. Scott-Secretary and**
40 **nominations cease. Mr. Nash seconded the nominations. Chairman Gibbs hearing**
41 **no other nominations, nominations was ceased and all were elected by acclamation.**

1 **Item #5: Delegation of Appointing Authority:** Mrs. Ferguson stated that each
2 year the Board is asked to adopt a resolution of appointing authority for SRA which is
3 requested by Civil Service for compliance. **Mr. Burgess moved, seconded by Mrs.**
4 **Scott to adopt the resolution concerning the delegation of Appointing Authority for**
5 **SRA to the Executive Director. Motion carried unanimously.**

6 **Item #6: Selection of Official Journal-The Sabine Index:** Mr. Pratt stated that
7 the official journal for the agency must be within the domicile parish of the agency and
8 the only paper in Sabine Parish is The Sabine Index. **Mr. Burgess moved, seconded by**
9 **Mr. Goodeaux to approve the selection of the official journal for the SRA as The**
10 **Sabine Index. Motion carried unanimously.**

11 **Item #7: Renovate Overhead Cranes-Sabine Diversion Canal:** Mr. Carr
12 stated that the overhead cranes at the diversion canal needed major renovation. He stated
13 that estimate cost of the renovation is approximately \$20,000 not to exceed \$25,000. **Mr.**
14 **Vidrine moved, seconded by Mrs. Scott to approve the renovation of the overhead**
15 **cranes at the Diversion Canal not to exceed \$25,000. Motion carried unanimously.**

16 **Item #8: Port of Lake Charles Agreement:** Mr. Carr stated that board had
17 previously granted the Executive Director the ability to finalize all documents with Lake
18 Charles Methanol pertaining to the Lake Charles Methane Plant. He stated that this
19 would have covered the Servitudes needed for their pipeline and pump station; however,
20 the Port of Lake Charles has gotten involved and now it is necessary for other Servitudes.
21 He stated that the Port is asking Citgo for a servitude that includes some of the SRA
22 servitudes acquired from Citgo in the past. He stated that the Servitudes and the Consent
23 form have been reviewed by SRA's legal counsel, Taylor-Porter Law Firm and staff
24 which agree on the wording and are asking permission to sign the consent form as well as
25 authorizing the Executive Director to execute all the necessary documents on behalf of
26 the Board. **Mr. Nash moved, seconded by Mrs. Scott to approve the Servitude and**
27 **Consent form for the Port of Lake Charles and authorize the Executive Director to**
28 **execute the necessary finalized documents on behalf of the Board. Motion carried**
29 **unanimously.**

30 **Item #9: Adopt Resolution for the Compliance Questionnaire:** Mrs. Ferguson
31 stated that this is a requirement of the Enterprise Fund Audit performed each year. She
32 stated that there is a compliance questionnaire that is completed by staff and if anyone
33 would like to review the document or had any questions she would answer them.
34 Hearing no questions, Mr. Gibbs asked for a motion to adopt the resolution. **Mr.**
35 **Burgess moved, seconded by Mr. Vidrine to adopt the resolution for the Compliance**
36 **Questionnaire for the annual Enterprise Fund Audit. Motion carried unanimously.**

37 **Item #10: Board Communication Policy:** Mr. Pratt stated that several board
38 members had asked if there was a communication policy concerning Board members. He
39 continued that after researching, there is not a policy specific for Board members. He
40 stated that he would have staff research sources and prepare a possible policy for
41 adoption at the next meeting.

42 **COMMITTEE REPORTS:**

1 **1) Diversion Canal:** No meeting.

2 **2) Parks:** No meeting.

3 **3) Leaseback:** No meeting.

4 **4) Finance:** No meeting.

5 **5) Water Sales: Mr. Burgess moved, seconded by Mr. McCormic to**
6 **approve the minutes of the Water Sales Committee meeting held Thursday,**
7 **May 25th 2017 as circulated. Motion carried unanimously.**

8 **6) Fishery & Lake Management:** No meeting.

9 **LEGAL REPORT:** Mr. Pratt stated no new developments on pending cases.

10 **EXECUTIVE DIRECTOR’S REPORT:** Mr. Pratt stated that the office would
11 be closed July 4th for the holiday. He stated that all the SRA parks were booked and
12 arrangements have been made for security during the weekend. **Mr. Holmes moved,**
13 **seconded by Mr. Burgess to approve the Executive Director’s report as presented.**
14 **Motion carried unanimously. .**

15 Mr. Gibbs stated that the next meeting would be July 27th 2017 at 1:00pm at
16 Pendleton Bridge Office Many, Louisiana.

17 With no further business to discuss, Mr. Gibbs asked for a motion to adjourn.
18 **Mr. Burgess moved, seconded by Mr. Nash to adjourn. Motion carried**
19 **unanimously. Meeting adjourned at 3:37p.m.**

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21

BYRON GIBBS, CHAIRMAN

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C.A. BURGESS, VICE-CHAIRMAN

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32 **ATTEST:** _____

33 **MIKE MCCORMIC, SECRETARY**