

**MINUTES OF REGULAR MEETING OF THE
AMITE RIVER BASIN DRAINAGE & WATER CONSERVATION DISTRICT**
3535 S. Sherwood Forest Boulevard, Suite 135, Baton Rouge, LA

May 15, 2012

MEMBERS PRESENT: Lawrence Callender, Terry Louque, Al Bargas, John Brass, Willie George Lee, Joels Louque, Anthony Rouchon, Randolph Saucier, Jerry Thibeau, Larry Thomas, Dale Zuelke

MEMBERS ABSENT: Don Thompson, Russell Cornette

ALSO PRESENT: Dietmar Rietschier, Executive Director
Toni Guitrau, Executive Secretary
Larry Bankston, Attorney

1. The meeting was called to order at 6:00 p.m. by Callender.
2. Public Comments on Agenda Items: None
3. Public Hearing on Proposed Budget 2012-13. Callender opened the floor to any public comments. As there were no public comments, Callender closed the floor to public comments. The Board discussed the Proposed Administrative Budget of 2012-13. After much discussion on line items and input from Bargas and Bankston in regard to (Administrative) Consultants and Legal, it was agreed to reduce the (Administrative) Professional Services – Legal to \$5000 and Professional Services – Consultants to \$0. Following Bankston's suggestion, the Board agreed to add a new line item "OPEB Funds" in the amount of \$13,000. Bankston recommended 2 separate components: General overall consultant costs and Capital Expenditures on acquisition of property. As previously agreed upon at a prior ARBC Meeting, the Board agreed to open an OPEB Fund in the amount due to date of \$127,000, and to reflect this expense annually in future Administrative Budgets. Bargas brought to the attention of the Board the Capital Expenditures. He asked if the Board controls any of the expenditures out of the Capital Account including authorization of contracts with consultants, lawyers, accountants etc. Mr Rietschier said that they do 100%. Secretary Guitrau said the auditor reviews the contracts annually. Callender stated that when the ARBC enters into contracts, agreements, and RFQ's it is always done with Board discussion and vote. Bargas opposed adoption of the budget due to the lack of a full spending plan under ARBC authorization for Capital Expenditures and stated that the Board can not exercise fiduciary responsibilities without a plan. Bankston said this issue can be dealt with through the development of a Capital Projects budget then there can be a report of anticipated costs of consultants, attorney, and acquisition of real properties. A motion was offered by T. Louque, second by Rouchon to approve Proposed Budget of 2012-13, as amended. A voice vote was called for and resulted as follows:

YEAS: Lawrence Callender, Terry Louque, John Brass, Willie George Lee, Joels Louque,
Anthony Rouchon, Randolph Saucier, Jerry Thibeau, Larry Thomas, Dale Zuelke

NAYS: Bargas

ABSENT: Don Thompson, Russell Cornette

The Board unanimously approved a motion by Rouchon second by Lee to call for a Finance Meeting whereby the anticipated costs of consultants, attorney etc. may be discussed along with the development of a Capital Projects budget. Callender requested Mr. Rietschier to contact Treasurer Thompson and notify him of the Board's motion.

4. Minutes

The Board unanimously approved a motion by Rouchon second by Thibeau to approve the April 17, 2012 meeting minutes with one correction on page 2 (Hwy. 69 should read as Hwy. 67).

5. Financial Statement Report

- Bargas presented to the Board the April 2012 General Fund and CRDC Fund financial statements. The Board unanimously approved a motion by Thibeau, second by J. Louque to approve the April 2012 General Fund and CRDC Fund financial statements.

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- Amended Administrative Budget 2011-2012: The Board unanimously approved a motion by Rouchon second by Bargas to approve the Amended Administrative Budget 2011-12 to include, if necessary, the \$127,000 OPEB, as discussed.

6. Nominating Committee: Callender appointed to the Nominating Committee the following members: John Brass, Joel Louque, Tony Rouchon, and Jerry Thibeau. Al Bargas informed the Board that he wished to be considered for the office of Treasurer. Callender requested to be considered for the office of President.

Mr. Lee asked if a check to Burk-Kleinpeter had been signed. Callender said that the Task Order has since been updated and the check was signed. Rietschier said it was the format in which the invoices were sent; each Task Order (TO) has a heading and includes the amount of \$50,000. After 3 months the amount of \$50,000 became inadequate and needed to be adjusted or pro-rated to the end of the fiscal year which made this Task Order \$160,000. This was an oversight noticed by Callender. This Task Order needs to be upgraded again because of the EA. Rietschier said he will ask for a better method of preparing the Task Orders in the future.

Callender said he wanted to make sure the Task Orders were amended prior to signing the checks to the consultants. GCR and BKI have excellent Task Order systems which have a great track record for applying for credit with the USACE. Rietschier discussed mitigation and said best result concerning the AE would be for a Finding of No Significant Impact. Callender reminded the Board that we can only buy from willing sellers. Rietschier stated that there are 3 general areas of possible mitigation of which one is the Rush Property and it has many violations. Delaune said that surveying needs to be done to determine fill needed on the Rush site. \$15,000 is not adequate for the surveyor. Mona Nosari, GCR, discussed the mortgages and appraisal issues on the Rush property. Delaune said if the EA gives better credit through Profit Island, he suggested waiting before doing a survey. Rietschier agreed. Callender said the mitigation area was flown over and videoed if any commissioners wish to view it.

7. Report by Executive Director

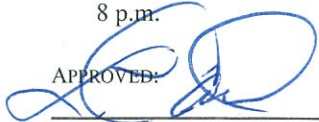
- Mr. Rietschier contacted the Levee Boards in the State inquiring about their maintenance activities, particularly in reference to grass and vegetation control. Obtained a typical contract for the ARBC attorney to review and prepare.
- Prepared bid forms for the demolition of a structure on 18845 Plank Road.
- HTRW Investigations: Once the USACE gives the ARBC clearance to proceed on the acquisition of any property we need to undertake a HTRW investigation. ARBC issued a task to undertake such an activity for the Pettit Rd property (323 acres).
- Centerline & Baseline Survey: Property owners along the survey line have been notified. An AFE has been sent to the USACE
- Rush Property: An appraisal is being conducted at this time.
- Property acquisitions at La. Hwy. 67 (Plank Rd.): Several properties are at different levels of purchase completion. The expropriation process to acquire properties (servitudes) under the highway are waiting for approval of HCR 16.
- Properties flanking KCS RR are waiting for quitclams to be recorded.
- Demolition of Structure on Plank Road: Mona Nosari, of GCR, stated this is the trailer the USACE would have demolished but since it was a liability issue ARBC decided to proceed with demolition. She suggested sending the bid to the USACE to ask them to give the ARBC credit in the future based on it being a liability issue. Mr. Rietschier said he did not want to send a letter to the USACE at this time. He has 3 estimates, and the contract should be signed tomorrow. He suggested proceeding with demolition since it is a liability issue.
- Credits: Environmental Credits and Financial Credits: All the land purchased are hard credits and administrative credits are soft credits. So far in terms of lands and advance of money to the USACE, ARBC and DOTD has approximately \$11,300,000 in credits. That credit is accounted when it comes to the 30-50% match. The administrative items will not be nearly as much as the land purchases and relocations. May need to spend an estimated \$60,000,000 in the future. Mona Nosari, said GCR secured millions in credit for PLD in administrative credits. As the administrative fees are pricey it is important as well as the land purchases. Callender said it is important to apply for all credits future and past. The non federal sponsor will be required to seek these credits.

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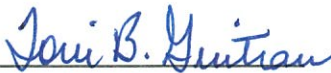
- Reitscher said that we should move on securing the Petitt Rd. property (323 acres) for possible mitigation. Discussed further the HTRW procedures with Nosari explaining the process.
 - Rietschier said he wants to to change the system of doing Task Orders. The first Task Order was raised to \$199,000. He had pro-rated it. Reitscher wants to get with consultants so that estimates may be provided for the future. Callender said that the Task Orders are important to applying for credit otherwise we could fall back on the RFQ. GCR has an established system for working with Task Orders and credits. Reitscher said he would like to sit down with the consultants and one or two commissioners for future Task Orders. There should be a plan of how many properties we expect to purchase and how much it would cost. Nosari says GCR uses Solomon Microsoft software where their time is tracked to each task. It is an appropriate system for applying for credits. Reports are generated to apply for credit. Bankston stated that the Finance Committee should ask that BKI and GCR attend the meeting for an overview on what they see as a global budget and how to set up a Task Order system to track information and make responsible decisions. Rietscher said if there is a major change to a Task Order he wants to have a representative of the Finance Committee to attend a meeting to discuss it. The Board unanimously approved a motion by Bargas second by bras to defer this matter to a Finance C The Board discussed the current submitted invoice by BKI.
8. Report by ARBC Legal Counsel/Old Business
- CEA between ARBC and LA DOTD is pending further amendments.
 - Discussed HCR 16 (authorization for expropriation rules for the Commisison): Also, he discussed Senate Bill 916 Committee on Natural Resources amending Act 734. These amendments would allow some flexibility in acquiring property for mitigation when all property owners are not available to sign. Puts a limit of 75% of willing sellers as minimum before expropriation could be used to clear title.
 - The unanimously approved a motion by Rouchon, second by Brass to add to the agenda Tract 476.
 - The Board unanimously approved a motion by J. Louque, second by Lee to approve Bankston to send out letters, and to adopt the DOTD relocation appeal process for all our undertakings via resolution.
 - Bankston is examining possible contracts for Maintenance of Property. He will submit something for the Board to consider at the next meeting.
9. New Business:
- 2012 Adjusted Millage Rate Discussion: The Board discussed the option of rolling-forward vs. not rolling-forward. The Board believed it would not roll-forward but the final decision will be made at the next regular meeting to be held on June 19, 2012 at 6 pm at its regular meeting place.
 - Bankston urged the Board to considering a checklist requirement for land purchases. The checklist should be completed before any check is cut to a land owner. . Will discuss this further at the Finance Committee Meeting.
 - Bankston requested GCR to prepare a generalized category of all property for adequate safety, posting of it and submit to insurance company on what ARBC owns. Nosari gave the status of the request.
 - Callender reminded the Board to submit to the Louisiana Ethics Board their annual Financial Disclosure Reports by May, 15, 2012.
10. The Board unanimously approved a motion by T. Louque, second by Lee to adjourn the meeting at 8 p.m.

APPROVED:



/s/ Lawrence Callender

Lawrence Callender, ARBC President



/s/ Toni B. Guitrau

Toni B. Guitrau, Executive Secretary

Date: 6/19/12