May 20, 2019

The regular monthly meeting of the Bayou Lafourche Fresh Water District was held on Monday, May 20, 2019 at 5:00 p.m. at the Water District Office, 1016 St. Mary Street, Thibodaux, LA

Present were:	Greg Nolan, Secretary/Treasurer	Scott LeBlanc
	Francis Richard	Eli Miles, Jr.
	Donald Schwab	Chris Domangue
	Ray Mayet	Barry Soudelier
	Lance Authement	
Absent: Useh Coffee, Chaimman, Consellationally Vise Chaimman, Jaka Ciandina		

Absent: Hugh Caffery, Chairman; Gene Harrell, Vice-Chairman; Jake Giardina

Also present were: Dan Grandal, Stantec; Amy Broughton, Stantec; Eric Dallimore, Stantec David Boudreaux, Delta Coast; Ryan Perque, FOBL; Alma Robichaux, BTNEP Doug Cheramie; Josh Bordelon; Henry Templet; Hattie Templet Ben Malbrough, Executive Director; Jana Langley, Administrative Assistant

Greg Nolan, Secretary/Treasurer, chaired the meeting in the absence of Hugh Caffery and Gene Harrell.

Moved by Commissioner Ray Mayet, seconded by Commissioner Eli Miles, Jr. to dispense with the reading of the minutes, and approve the minutes of April 15, 2019. Motion carried unanimously.

Moved by Commissioner Francis Richard, seconded by Commissioner Eli Miles, Jr. to approve the accounts payable for April. Motion carried unanimously.

Moved by Commissioner Scott LeBlanc, seconded by Commissioner Donald Schwab to approve the finance report for April. Motion carried unanimously.

Mr. Ben Malbrough advised that that pumping summary was sent to the board members. The river is still high, and we have saved a considerable amount of money on electricity by siphoning.

Mr. Eric Dallimore with Stantec reported that the Pump Capacity Improvements Project design is 100% complete, and are waiting for the permits to come through. They have a meeting with the Corps to address the archeological assessment that they talked about at the meeting last month.

Mr. Malbrough advised that the District has been awarded a loan through the Dept. of Environmental Quality Clean Water Revolving Loan Fund Program. CPRA has agreed to service the principal and interest on \$50 million, and the Fresh Water District will service the principal and interest on \$15 million.

Mr. Malbrough stated that Stantec's funding expert, Ms. Amy Broughton, from Colorado is here to give the Board the comfort level that we can actually service the loan debt with the finances we have now, and also what will be recurring from both a revenue standpoint as well as an expenditure standpoint with this added note every year for fifteen years.

Ms. Amy Broughton advised that they did an analysis of different funding and financing scenarios to give us a sense of the current financial position of the district, and what the financial position might look like into the future. We looked at where the district is today as far as revenues, cost, and the anticipated Mississippi River Reintroduction Project cost.

Ms. Broughton advised that they looked at the last ten years of revenue growth for the district using the ad valorem tax information, and there was a median of 5.3% and an average of 4.2% so they used 2% because that was a fairly conservative number. They also held the water sales revenue constant.

Ms. Broughton reviewed snapshots of the financial plan looking forward regarding historical and projected revenues and operating cost of the district. The capital projects are included in the projected cost.

Mr. Malbrough stated that the only other component of the Reintroduction Project that is not included in the projected cost is the last section of channel dredging. We cannot dredge until the new pump station is in operation because the channel capacity is at its maximum now.

Ms. Broughton stated that the district currently has \$14 million in their operating reserve fund so the district has been building its cash reserve. In order to minimize the debt obligation of the district and use that cash but still maintain a healthy operating reserve, we are targeting going forward with an operating reserve of \$3 million so we can cash fund some of the Mississippi River Reintroduction Project up front to reduce the amount of debt we need to take on with DEQ. She advised that they are assuming the \$65 million for the project with CPRA contributing \$50 million of that and the district contributing \$15 million.

Ms. Broughton stated that the debt term would be 15-year at 0.95% interest rate. One requirement of the DEQ is that we maintain a minimum 1.25 debt service coverage ratio which is included in the financial model.

Ms. Broughton showed a snapshot of the dashboard from the financial model. She stated that the financial model has twenty-five different spreadsheets that all feed into the images she presented. She showed the 10-year forecast that DEQ requires for the revolving fund loan. It shows the debt service coverage.

Mr. Malbrough stated that we are not making any decision on this tonight. This was only to get the data out to the board and have Ms. Broughton explain the process of how we came to these numbers, and what the resulting graphs are. We have all the backup information you can possibly want. If have any questions, we can certainly get on a conference call and walk through any questions. These are all snapshots from a very elaborate model. Mr. Malbrough stated that Commissioner Chris Domangue does this for a living so this would be of particular interest to him.

Mr. Malbrough stated that they are drafting a lease agreement with Bollinger Shipyards in conjunction with the Derelict Vessel Removal Project. Bollinger will allow us to utilize a portion of their property for one year for \$1.00.

Moved by Commissioner Donald Schwab, seconded by Commissioner Barry Soudelier and unanimously approved to authorize Ben Malbrough and attorney, Mr. Barry Marionneaux, to negotiate and execute the lease agreement with Bollinger Shipyards in conjunction with the Derelict Vessel Removal Project.

Mr. Malbrough stated that anytime we talked about the DEQ Revolving Fund Program it is important to note that we would not be having these discussions if it were not for BTNEP, who were critical in identifying that funding and their Comprehensive Conservation Management Plan (CCMP). The main reason we are eligible for the funding we are going after is that we are a project in BTNEP's CCMP.

Mr. Malbrough advised that we were approached by BREC, who handles all of the parks and recreation components in East Baton Rouge parish. BREC asked for our assistance in clearing one of their lakes of invasive aquatic vegetation. We would allocate a portion of our staff for about two weeks to utilize our equipment to take out the vegetation in one of their lakes. They will reimburse the district for any cost incurred by the district.

Moved by Commissioner Barry Soudelier, seconded by Commissioner Ray Mayet and unanimously approved to negotiate an Intergovernmental Agreement with BREC to utilize the District's equipment and staff to clear one of their lakes of invasive aquatic vegetation. BREC will reimburse the District for all any cost incurred by the District.

Moved by Commissioner Scott LeBlanc, seconded by Commissioner Francis Richard to approve a permit application for Brian Richard, in Napoleonville, LA to construct a bulkhead. Motion carried unanimously.

Moved by Commissioner Eli Miles, Jr., seconded by Commissioner Ray May to approve a permit application for Daniel Aysenne, in Napoleonville, LA to place concrete pieces on bayou slope to prevent erosion. Motion carried unanimously.

Mr. Ryan Perque gave an update on the Friends of Bayou Lafourche as follows:

- Last week we received funding confirmation for \$90,000 to begin work for the first phase of the Nicholls bayou side park. We will have to seek a minimum amount of match dollars to complete the project.
- We received primary funding for the floating dock in Raceland across the street from the tourist center. We secured the match dollars. The property is owned by DOTD.
- We approached the Assumption Parish Police Jury to submit a grant to the Recreational Trails Program on their behalf. There is a circular walking trail with a pavilion across the street from Assumption High. We would like to install a floating dock behind the pavilion and connect it to the existing circular trail, and from there we would create a walking trail from the pavilion all the way down to the pedestrian bridge. Assumption Parish Police Jury earmarked \$20,000 for the project next year.
- The Donaldsonville money that was requested this year to make improvements to a park there sounds like they will get their money for that project.
- We received funding to do a Float with Friends project. We teamed up with the organization Hi-5, which is an after-school program for at-risk youths. We will do a paddle trip with them on June 11.

Mr. David Boudreaux, Delta Coast, reported that they are wrapping up the construction documents right now on the North Water Control Structure Project. They should be ready to go out for bid after that. They are looking at decreasing the amount of steel in order to save the District money.

Secretary/Treasurer Greg Nolan asked for public comments, and there were none.

Moved by Commissioner Francis Richard, seconded by Commissioner Lance Authement and unanimously approved to go into executive session at 6:20 p.m.

Moved by Commissioner Francis Richard, seconded by Commissioner Donald Schwab and unanimously approved to return to regular session.

Moved by Commissioner Scott LeBlanc, seconded by Commissioner Ray Mayet and unanimously approved to continue using our existing aquatic herbicide treatment program.

Moved by Commissioner Eli Miles, Jr., seconded by Commissioner Lance Authement and unanimously approved the meeting adjourned at 6:30 p.m.

Greg Nolan, Secretary/Treasurer

Chris Domangue, Commissioner