

MINUTES OF THE
BLANCHARD MAYOR AND TOWN COUNCIL
REGULAR MEETING – JANUARY 12, 2010
7:00 O'CLOCK

Present: Mayor Digilormo, Alderpersons Ashby, Lee, and Prewett, Atty. Tom Arceneaux, Dave Cherry, David Yeates, Mat Graf, Blanchard Police Officer Allen, Caddo Deputy Corp. Warner, Town Clerk Debra Smith, and various citizens.

Absent: Alderperson Jones, Whittington, and Chief Presswood.

Pledge of Allegiance led by Ashby.
Invocation given by Arceneaux.

Questions and Statements of Citizens: None

Motion by Prewett to accept the minutes of the regular meeting of December 8, 2009. Second by Ashby. All voted yea.

OLD BUSINESS

Public Hearing — Ordinance 5 of 2009
Public Hearing opened 7:01 p.m., closed 7:02 p.m.

Ordinance 5 of 2009 (1st Supplemental Bond Ord)

The following ordinance, having been previously introduced on November 24, 2009, Notice of Introduction having been published on November 27, 2009, and a public hearing held thereon on January 12, 2010, was offered for final adoption by Prewett and seconded by Ashby.

FIRST SUPPLEMENTAL BOND ORDINANCE NO. 5 of 2009

A supplemental Bond Ordinance authorizing the issuance of not exceeding \$3,657,000 of Water Revenue Bonds, Series 2010, of the Town of Blanchard, Louisiana, in accordance with the terms of a General Bond Ordinance adopted on November 24, 2009; prescribing the form, and certain terms and conditions of said Bonds; designating said Bonds as Build America Bonds pursuant to Section 54AA of the Internal Revenue Code of 1986, as amended; and providing for other matters in connection therewith.

WHEREAS, the Town of Blanchard, State of Louisiana (the "Issuer") now owns and operates a waterworks plant and system as a revenue-producing public utility (the "System"); and

WHEREAS, the Issuer currently has the following obligations payable from a pledge and dedication of the income and revenues of the System:

- (i) \$1,800,000 Town of Blanchard, State of Louisiana Water Revenue Refunding Bonds Series 2000 (the "Series 2000 Bonds"); and
- (ii) \$3,920,000 Town of Blanchard, State of Louisiana Water Revenue Refunding Bonds, Series 2005 (the "Series 2005 Bonds").

WHEREAS, pursuant to Part XIII, Chapter 4, Title 39 of the Louisiana Revised Statutes of 1950, as amended (La. R.S. 39:1011, *et seq.*), and other constitutional and statutory authority (the "Act"), it is the desire of this Mayor and Board of Aldermen to provide for the issuance of revenue bonds of the Issuer, for the purpose of providing additions and improvements to the System, and paying the costs of issuance thereof; and

WHEREAS, on November 24, 2009, this Mayor and Board of Aldermen (the "Governing Authority") adopted a General Bond Ordinance entitled: "A General Bond Ordinance authorizing the issuance from time to time of Water Revenue Bonds of the Town of Blanchard, State of Louisiana; prescribing the form, and certain terms and conditions of said Bonds; providing for the payment thereof in principal and interest; and providing for other matters in connection therewith" (the "General Bond Ordinance"), which authorizes the issuance of bonds from time to time for the aforesaid purposes; and

WHEREAS, Section 1531 of Title I of Division B of the American Recovery and Reinvestment Act of 2009, Pub. L. No. 111-5, 123 Stat. 115 (2009) (enacted February 17, 2009) ("ARRA"), added §54AA to the Internal Revenue Code of 1986, as amended, authorizing state and local governments, at their option, to issue two general types of "Build America Bonds" as taxable governmental bonds with federal subsidies for a portion of their borrowing costs; and

WHEREAS, it is now the desire of this Governing Authority to authorize the issuance of not exceeding \$3,657,000 of Water Revenue Bonds, Series 2010 of the Issuer, for the purpose of paying the costs of constructing and acquiring acquisitions, improvements, extensions and replacements to the System as further set forth in Exhibit B hereto and paying costs of issuance;

NOW, THEREFORE, BE IT ORDAINED by the Mayor and Board of Aldermen of the Town of Blanchard, State of Louisiana, acting as the governing authority of Town of Blanchard, State of Louisiana, that:

SECTION 1. Definitions. In addition to words and terms elsewhere defined in the General Bond Ordinance and this First Supplemental Bond Ordinance, the following words and terms as used in this First Supplemental Bond Ordinance shall have the following meanings, unless some other meaning is plainly intended:

"*Administrative Fee*" means, with respect to the 2010 Bonds and any other Bonds purchased by the Department from the State Loan Fund, the annual fee equal to one-half of one percent (0.5%) per annum of the outstanding principal amount of such bonds, or such lesser amount as the Department may approve from time to time, which shall be payable each year in two equal semi-annual installments on each Interest Payment Date.

"*ARRA Funds*" means additional federal capitalization grant funds received by the Louisiana Drinking Water Revolving Loan Fund pursuant to the Title VII, Division A of ARRA entitled "State and Tribal Assistance Grants."

"*Code*" means the Internal Revenue Code of 1986, as the same may be amended and supplemented from time to time, including any regulations promulgated thereunder or any administrative or judicial interpretations thereof.

"*Department*" means the Louisiana Department of Health and Hospitals, an executive department and agency of the State, and any successor to the duties and functions thereof with respect to the State Loan Fund.

"*First Supplemental Ordinance*" means this ordinance authorizing the issuance of the 2010 Bonds.

"*General Bond Ordinance*" means the General Bond Ordinance described in the preambles hereof.

"*Loan Agreement*" means the Loan and Pledge Agreement to be entered into by and between the Department and the Issuer, prior to the delivery of the 2010 Bonds, which will contain certain additional agreements relating to the 2010 Bonds and any other series of Bonds purchased by the Department from the State Loan Fund, which Loan Agreement shall be in

substantially the form attached hereto as Exhibit B, as it may be supplemented, modified or amended from time to time in accordance with the terms thereof.

"Non-ARRA Funds" means federal capitalization grant funds received by the Louisiana Drinking Water Revolving Loan Fund pursuant to authority other than the Title VII, Division A of ARRA, or other available funds in the Louisiana Drinking Water Revolving Fund that are derived from sources other than ARRA Funds.

"Paying Agent" with respect to the 2010 Bonds means the Clerk of the Issuer, unless and until a successor Paying Agent shall have assumed such responsibilities pursuant to the General Bond Ordinance.

"Reimbursement Expenditures" means Costs of the Project made prior to the date of delivery of the Series 2010 Bonds, but not more than sixty days prior to April 8, 2009, which was the date of adoption of an "official intent" Ordinance pursuant to Section 1.150-2 of the United States Treasury Regulations under Section 150 of the Code.

"State Loan Fund" means the Drinking Water Revolving Loan Fund established by the State of Louisiana, pursuant to Chapter 32 of Title 40 of the Louisiana Revised Statutes of 1950, as amended (La. R.S. 30:2821, *et seq.*) in the custody of the Department, which is to be used for the purpose of providing financial assistance for the improvement of public drinking water systems in the State, as more fully described in La. R.S. 30:2825(A)(2).

"2010 Bonds" means the Issuer's Water Revenue Bonds, Series 2010 authorized to be issued in multiple series by this First Supplemental Ordinance and particularly by Section 2 hereof.

SECTION 2. Authorization of Series 2010 Bonds. (a) In compliance with and under the authority of the Act, there is hereby authorized the incurring of an indebtedness of not exceeding Three Million Six Hundred Fifty-Seven Thousand Dollars (\$3,657,000) for, on behalf of and in the name of the Issuer, for the purpose of paying the costs of constructing and acquiring improvements, extensions and replacements to the System as further set forth in Exhibit B hereto and paying costs of issuance, and to represent the indebtedness, this Governing Authority does hereby authorize the issuance of up to Three Million Six Hundred Fifty-Seven Thousand Dollars (\$3,657,000) of Water Revenue Bonds, Series 2010, of the Issuer. The 2010 Bonds shall be dated the Delivery Date thereof, and the exact principal amount of the bonds, not to exceed \$3,657,000 as stated above, shall be determined by the Executive Officers at the time of delivery of the 2010 Bonds. The Series 2010 Bonds shall be issued as:

- (i) Not exceeding \$2,000,000 of Water Revenue Bonds, Series 2010A, the proceeds of which shall be used to finance Costs of the Project and expenditures that are eligible for funding with ARRA Funds and with respect to which additional subsidization will be granted by the Department, which are to be purchased by the Department using ARRA Funds (the "Series 2010A" Bonds); and
- (ii) The remaining 2010 Bonds shall be issued as Water Revenue Bonds, Series 2010B, the proceeds of which shall be used to finance Costs of the Project and expenditures that may or may not be eligible for funding with ARRA Funds which are to be purchased by the Department using Non-ARRA Funds (the "Series 2010B Bonds").

Should the amount of Costs of the Project eligible for financing with ARRA Funds and Non-ARRA Funds change, the Executive Officers are authorized to change the principal amount of each series provided in (i) and (ii) above provided that the total amount of the Bonds does not exceed \$3,657,000.

(b) The 2010 Bonds shall be Fixed Rate Bonds and the Interest Payment Dates shall be March 1, 2010, and semi-annually thereafter on each March 1 and September 1 of each year. The 2010 Bonds shall bear interest at the rate of two and ninety-five hundredths percent (2.95%) per annum, said interest to be calculated on the basis of a 360-day year consisting of

twelve 30-day months and payable on each Interest Payment Date, or such lower rate as may be in effect for loans from the State Loan Fund at the time of delivery. In addition to interest at the rate set forth above, at any time that the Department owns the 2010 Bonds the Issuer will pay the Administrative Fee to the Department on each Interest Payment Date. In the event (i) the Department owns any 2010 Bonds or the Department has pledged or assigned any 2010 Bonds in connection with its Drinking Water Revolving Loan Fund and (ii) the Administrative Fee payable by the Issuer to the Department under the terms of the Loan Agreement is declared illegal or unenforceable by a court or an administrative body of competent jurisdiction, the interest rate borne by the 2010 Bonds shall be increased by one-half of one percent (0.50%) per annum, effective as of the date declared to be the date from which the Administrative Fee is no longer owed because of such illegality or unenforceability.

(c) The 2010 Bonds, including the Series 2010A Bonds if less than 100% principal forgiveness is given by the Department on the Series 2010A Bonds, and all of the Series 2010B Bonds, shall be "Build America Bonds (Direct Payment)" pursuant to Section 54AA of the Code. Interest on the 2010 Bonds shall not be excluded from gross income for federal income tax purposes, and the Issuer irrevocably elects to designate such bonds as "Build America Bonds" under Section 54AA of the Code and specifically as "qualified bonds" within the meaning of Section 54AA(g) of the Code. All of the proceeds of the 2010 Bonds, other than no more than 2% of such proceeds used to pay issuance costs, plus investment proceeds thereof, will be used for capital expenditures, and the issue price of the 2010 Bonds has no premium over the stated principal amount. None of the proceeds of the 2010 Bonds will be deposited to the Reserve Fund or to any other reasonably required reserve fund. It is intended by this election that with respect to the 2010 Bonds the Issuer will be entitled to a credit with respect to each interest payment as provided by Section 6431 of the Code equal to 35% of the interest payable under the 2010 Bonds on each Interest Payment Date. The Executive Officers are authorized and empowered to take any further action as may be necessary in order to qualify the 2010 Bonds as Build America Bonds (Direct Payment) under said Section 54AA and Section 6431 of the Code, including any necessary filings, agreements, forms (including IRS Form 8038-CP) or other documentation necessary to receive the 35% reimbursement described in said sections. Should the Issuer or the Department determine that the use of any portion of the proceeds of the Series 2010A Bonds would not be allowable under ARRA, that portion may be issued as an additional series of the Series 2010 Bonds or added to the Series 2010B Bonds, as may be determined by the Executive Officers, which shall also be qualified "Build America Bonds (Direct Payment)" under this subsection.

(d) Each series of the 2010 Bonds shall mature in twenty (20) installments of principal, payable annually on each March 1, and each annual installment shall be the applicable percentage shown in the following tables, rounded to the nearest \$1,000, of the outstanding principal amount of the applicable series of the 2010 Bonds on the day before the applicable Principal Payment Date:

<u>Date (March 1)</u>	<u>Percentage of Principal</u>	<u>Date (March 1)</u>	<u>Percentage of Principal</u>
2012	3.947%	2022	8.960%
2013	4.209	2023	10.079
2014	4.500	2024	11.480
2015	4.826	2025	13.283
2016	5.193	2026	15.687
2017	5.610	2027	19.056
2018	6.087	2028	24.111
2019	6.639	2029	32.540
2020	7.283	2030	49.403
2021	8.044	2031	100.000

In the event that the Completion Date of the Project being financed with either series of the 2010 Bonds is after March 1, 2012, the principal payment schedule set forth above may be adjusted for such series so that each payment shall be due on the March 1 that is one year later than shown above, provided that in no event shall the final principal payment be more than twenty-two (22) years from the Delivery Date.

(e) The principal and interest on the 2010 Bonds shall be payable by check mailed to the registered owner of the 2010 Bonds (determined as of the Interest Payment Date) at the address shown on the registration books kept by the Paying Agent for such purpose, provided that payment of the final installment of principal on the 2010 Bonds shall be made only upon presentation and surrender of the 2010 Bonds to the Paying Agent.

(f) The principal installments of the 2010 Bonds are subject to prepayment at the option of the Issuer at any time, in whole or in part, at a prepayment price of par plus accrued interest and accrued Administrative Fee, if any, to the prepayment date and in such case the remaining principal of the 2010 Bonds shall continue to mature in installments calculated using the percentages shown in Section 2(c) above.

(g) Each series of the 2010 Bonds shall be issued in the form of a single fully registered bond, initially numbered AR-1 and BR-1, as the case may be, and shall be in substantially the form attached hereto as Exhibit A.

(h) The Clerk of the Issuer shall be the initial Paying Agent for the 2010 Bonds.

(i) The 2010 Bonds are hereby awarded to and sold to the Department at a price of par plus accrued interest, if any, under the terms and conditions set forth in the Loan Agreement, and after their execution and authentication by the Paying Agent, the 2010 Bonds shall be delivered to the Department or its agents or assigns, upon receipt by the Issuer of the agreed purchase price. Pursuant to the Act and La. R.S. 39:1426(B), the Issuer has determined to sell the 2010 Bonds at a private sale without the necessity of publishing any notice of sale.

(j) No proceeds of the 2010 Bonds shall be deposited into the Reserve Fund, however upon the delivery of the 2010 Bonds the Issuer shall establish the "Series 2010 Account" in the Reserve Fund and shall cause the Reserve Fund Requirement to be deposited to said account within five (5) years after the Delivery Date. No changes are required at this time with respect to the Contingencies Fund established in the General Bond Ordinance.

(k) No proceeds of the 2010 Bonds will be used to refund any outstanding obligations.

(l) The 2010 Bonds being the initial emission of bonds under the General Bond Ordinance, the parity requirements of Section 6.01 of the General Bond Ordinance are not applicable. However, the Issuer will comply with the parity requirements outlined in the Series 2000 Ordinance and the Series 2005 Ordinance (as defined in the General Bond Ordinance) and will furnish at or prior to delivery of the Series 2010 Bonds a parity certification in substantially the form attached hereto as Exhibit C.

(m) The Executive Officers are each hereby empowered, authorized and directed to do any and all things necessary and incidental to carry out all of the provisions of the General Bond Ordinance and this First Supplemental Ordinance, to execute and deliver the Loan Agreement, and to cause the 2010 Bonds to be prepared and/or printed, to issue, execute and seal the 2010 Bonds and to effect delivery thereof as hereinafter provided. In connection with the issuance and sale of the 2010 Bonds, the Executive Officers and the chief financial officer of the Issuer are each authorized, empowered and directed to execute on behalf of the Issuer such additional documents, certificates and instruments as they may deem necessary, upon the advice of bond counsel, to effect the transactions contemplated by this Ordinance, including a Supplemental Loan Agreement and Cooperative Endeavor covering the requirements of ARRA. The signatures of said on such documents, certificates and instruments shall be conclusive evidence of the due exercise of the authority granted hereunder.

(n) The 2010 Bonds are not tax-exempt bonds. Therefore they are not being designated as "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Code.

(o) It is recognized that the Issuer will not be required to comply with the continuing disclosure requirements described in the Rule 15c2-12(b) of the Securities and Exchange Commission [17 CFR §240.15c2-12(b)], because (i) the 2010 Bonds are not being purchased by a broker, dealer or municipal securities dealer acting as an underwriter in a primary offering of municipal securities, and (ii) the 2010 Bonds are being sold to only one financial institution (i.e., no more than thirty-five persons), which has such knowledge and experience in financial and business matters that it is capable of evaluating the merits and risks of the prospective investment in the 2010 Bonds and is not purchasing the 2010 Bonds for more than one account or with a view to distributing the Bonds.

(p) Application shall be made to the State Bond Commission, Baton Rouge, Louisiana, for final approval of the issuance of the 2010 Bonds by the Issuer within the parameters set forth in this section. By virtue of the Issuer's application for, acceptance and utilization of the benefits of the Louisiana State Bond Commission's approval(s) resolved and set forth herein, it resolves that the Issuer understands and agrees that such approval(s) are expressly conditioned upon, and it further resolves that it understands, agrees and binds itself, its successors and assigns, to full and continuing compliance with the "State Bond Commission Policy on Approval of Proposed Use of Swaps, or other forms of Derivative Products Hedges, Etc.", adopted by the State Bond Commission on July 20, 2006, as to the borrowing(s) and other matter(s) subject to the approval(s), including subsequent application and approval under said Policy of the implementation or use of any swap(s) or other product(s) or enhancement(s) covered thereby.

(q) The "Scheduled Completion Date" for the 2010 Bonds Project is January 1, 2012.

(r) There will be no Credit Facility with respect to the 2010 Bonds.

(s) The Loan Agreement, in substantially the form attached hereto as Exhibit B, is hereby approved, and the Executive Officers are authorized to execute and deliver the aforesaid documents on behalf of the Issuer, with such changes as may be deemed necessary, upon the advice of counsel, in connection with the 2010 Bonds. The Executive Officers are further authorized to execute and delivery any supplemental loan agreement or cooperative endeavor agreement as may be necessary in connection with the requirements of ARRA or any additional subsidization offered by the Department pursuant to ARRA.

SECTION 3. Commencement of Construction; Contract. The Issuer understands that each phase of the Project being financed in whole or in part with proceeds of the Series 20009A Bonds must be subject to a binding construction contract and/or be under construction no later than February 16, 2010. As evidence of compliance with this section, the Issuer will furnish the Department with an executed copy of any applicable construction contract and/or a notice to proceed with construction no later than February 16, 2010. If the Project is the subject of multiple construction contracts, then all such construction contracts relating to the portion of the Project that is being funded with the Series 2010A Bonds must be entered into, or each such phase of the Project be under construction, no later than February 16, 2010.

SECTION 4. Use of American Iron, Steel, and Manufactured Goods. In order to comply with Section 1605 of ARRA, the Issuer agrees that all of the iron, steel, and manufactured goods used in the portion of the Project that is funded in whole or in part with the Series 2010A Bonds shall be produced in the United States unless the head of the United States Department of Environmental Quality ("EPA") finds that:

- (t) applying the foregoing requirement would be inconsistent with the public interest;
- (u) iron, steel, and the relevant manufactured goods are not produced in the United States in sufficient and reasonably available quantities and of a satisfactory quality; or

- (v) inclusion of iron, steel, and manufactured goods produced in the United States will increase the cost of the overall Project by more than 25 percent.

SECTION 5. Davis-Bacon Wage Rate Requirements. In order to comply with Section 1606 of ARRA, the Issuer agrees that all laborers and mechanics employed by contractors and subcontractors on the portion of the Project that is funded in whole or in part with the Series 2010A Bonds shall be paid wages at rates not less than those prevailing on projects of a character similar in the locality of the Issuer as determined by the Secretary of the United States Department of Labor ("DOL") in accordance with Subchapter IV of Chapter 31 of Title 40, United States Code. DOL provides all pertinent information related to compliance with the foregoing requirements, including prevailing wage rates and instructions for reporting. The Issuer will ensure that all construction contracts relating to the portion of the Project that is funded in whole or in part with the Series 2010A Bonds will require that the contractor comply with the aforesaid wage and reporting requirements. This section shall not apply to "force account" work where the Issuer may perform construction work using its own employees rather than any contractor or subcontractor.

SECTION 6. Prohibited Uses. None of the proceeds of the Series 2010A Bonds shall be used for any casino or other gambling establishment, aquarium, zoo, golf course, or swimming pool, unless the owner(s) or user(s) of such facility is or are using the utility services furnished by the Project as a member of the general public.

None of the proceeds of the Series 2010A Bonds shall be used for the for the purchase of land or any interest in land, including without limitation any easement, servitude or leasehold interest, as authorized by section 603(c) of the Federal Water Pollution Control Act or for activities authorized by section 1452(k) of the Safe Drinking Water Act, however proceeds of the Series 2010A Bonds may be used to purchase land under the authority of Section 1452(a)(2) of the Safe Drinking Water Act.

SECTION 7. Amendment of General Bond Ordinance. Section 7.05 of the General Bond Ordinance is hereby amended in the 2nd paragraph, 4th line to amend "fifteen (15) days to twenty (20) days."

SECTION 8. Parties Interested Herein. Nothing in this First Supplemental Ordinance expressed or implied is intended or shall be construed to confer upon, or to give to, any person or corporation, other than the Issuer, the Paying Agent and the Owners of the Series 2010 Bonds any right, remedy or claim under or by reason of this First Supplemental Ordinance or any covenant, condition or stipulation thereof; and all the covenants, stipulations, promises and agreements in this First Supplemental Ordinance contained by and on behalf of the Issuer shall be for the sole and exclusive benefit of the Issuer, the Paying Agent and the Owners of the Series 2010 Bonds.

SECTION 9. No Recourse on the Bonds. No recourse shall be had for the payment of the principal of or interest on the Bonds or for any claim based thereon or on this First Supplemental Ordinance against any member of the Governing Authority or officer of the Issuer or any person executing the Bonds.

SECTION 10. Successors and Assigns. Whenever in this First Supplemental Ordinance the Issuer is named or referred to, it shall be deemed to include its successors and assigns and all the covenants and agreements in this First Supplemental Ordinance contained by or on behalf of the Issuer shall bind and inure to the benefit of its successors and assigns whether so expressed or not.

SECTION 11. Severability. In case any one or more of the provisions of this First Supplemental Ordinance or of the Bonds issued hereunder shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provision of this First Supplemental Ordinance or of the Bonds, but this First Supplemental Ordinance and the Bonds shall be construed and enforced as if such illegal or invalid provisions had not been contained therein. Any constitutional or statutory provision enacted after the date of this First Supplemental Ordinance which validates or makes legal any provision of this First

Supplemental Ordinance or the Bonds which would not otherwise be valid or legal shall be deemed to apply to this First Supplemental Ordinance and to the Bonds.

SECTION 12. Publication; Peremption. This First Supplemental Ordinance shall be published one time in the official journal of the Issuer, or if there is none, in a newspaper having general circulation in the Issuer. It shall not be necessary to publish the exhibits to this First Supplemental Ordinance but such exhibits shall be made available for public inspection at the offices of the Governing Authority at reasonable times and such fact must be stated in the publication within the official journal. For a period of thirty days after the date of such publication any persons in interest may contest the legality of this First Supplemental Ordinance and any provisions herein made for the security and payment of the Bonds. After such thirty day period no one shall have any cause or right of action to contest the regularity, formality, legality, or effectiveness of this First Supplemental Ordinance and the provisions hereof or of the Bonds authorized hereby for any cause whatsoever. If no suit, action, or proceeding is begun contesting the validity of the Bonds authorized pursuant to this First Supplemental Ordinance within the thirty days herein prescribed, the authority to issue the Bonds or to provide for the payment thereof, and the legality thereof, and all of the provisions of this First Supplemental Ordinance and such Bonds shall be conclusively presumed, and no court shall have authority or jurisdiction to inquire into any such matter.

SECTION 13. Effective Date. This First Supplemental Ordinance shall become effective immediately.

This First Supplemental Bond Ordinance having been submitted to a vote, the vote thereon was as follows:

<u>Member</u>	<u>Yea</u>	<u>Nay</u>	<u>Absent</u>	<u>Abstaining</u>
Nathan A. Ashby	X			
Allison A. Jones			X	
Patsy A. Lee.	X			
Ross V. Prewett, III	X			
James Whittington			X	

And the Ordinance was declared adopted, on this, 12th day of January, 2010.

NEW BUSINESS

Resolution 1 of 2010 (East M'sport contract)

RESOLUTION No. 1 of 2010

A RESOLUTION APPROVING A WATER SYSTEM ASSET PURCHASE AGREEMENT BETWEEN THE TOWN OF BLANCHARD AND EAST MOORINGSPOUR WATER SYSTEM, INC. AND OTHERWISE PROVIDING WITH RESPECT THERETO.

WHEREAS, the Town of Blanchard ("Town") is in the process of planning improvements to the Blanchard Public Water System ("System") whose PWS ID No. is LA1017006 (the "Project"); and,

WHEREAS, the Town desires to achieve consolidation with or otherwise connect to the water system belonging to the East Mooringsport Water System, Inc. ("EMWS") for the purposes of the Project; and

WHEREAS, the Town desires to enter into a Water System Asset Purchase Agreement with EMWS (the "Agreement") which transfers the East Mooringsport Water System to the Town,

which Agreement is attached hereto and incorporated herein, and to authorize the Mayor to execute the Agreement on behalf of the Town.

NOW, THEREFORE, BE IT RESOLVED by the Board of Alderpersons of the Town, that the Town is authorized to enter into the Agreement, and that the Mayor is authorized to execute the Agreement on behalf of the Town.

BE IT FURTHER RESOLVED that if any provision or item of this Resolution or the application thereof is held invalid, such invalidity shall not affect other provisions, items or applications of this Resolution that can be given effect without the invalid provisions, items or applications and to this end the provisions of this Resolution are hereby declared severable.

BE IT FURTHER RESOLVED that any resolutions or parts hereof in conflict herewith are hereby repealed.

A MOTION TO ADOPT the above resolution was made by Prewett seconded by Lee, and resulted in the following vote:

YEAS: Ashby, Lee, Prewett

NAYS: None

ABSENT: Jones, Whittington

ABSTAINING: None

And Resolution 1 of 2010 was adopted on this 12th day of January, 2010.

Resolution 2 of 2010 (M'sport contract)

RESOLUTION No. 2 of 2010

A RESOLUTION APPROVING THE WATER PURCHASE CONTRACT
BETWEEN THE TOWN OF BLANCHARD AND THE VILLAGE OF
MOORINGSPOUR AND OTHERWISE PROVIDING WITH RESPECT THERETO

WHEREAS, the Town of Blanchard ("Town") is in the process of planning improvements to the Blanchard Public Water System ("System") whose PWS ID No. is LA1017006 (the "Project"); and,

WHEREAS, the Town desires to authorize the sale of water to the Village of Mooringsport ("Mooringsport") in accordance with the provisions of the Water Purchase Contract (the "Contract") attached hereto and incorporated herein, in substantially the same form as the Contract, and with any of the insubstantial changes approved by the Town Attorney, and to authorize the Mayor to execute the Contract (as insubstantially modified, if such is the case) on behalf of the Town.

NOW, THEREFORE, BE IT RESOLVED by the Board of Alderpersons of the Town, that the Town is authorized to sell water to Mooringsport in accordance with the provisions of the Contract, and that the Mayor is authorized to execute the Contract on behalf of the Town.

BE IT FURTHER RESOLVED that if any provision or item of this Resolution or the application thereof is held invalid, such invalidity shall not affect other provisions, items or applications of this Resolution that can be given effect without the invalid provisions, items or applications and to this end the provisions of this Resolution are hereby declared severable.

BE IT FURTHER RESOLVED that any resolutions or parts hereof in conflict herewith are hereby repealed.

A MOTION TO ADOPT the above resolution was made by Prewett seconded by Ashby, and resulted in the following vote:

YEAS: Ashby, Lee, Prewett

NAYS: None

ABSENT: Jones, Whittington

ABSTAINING: None

And Resolution 2 of 2010 was adopted on this 12th day of January, 2010.

Resolution 3 of 2010 (E. Cove AKA IEG both contracts)

RESOLUTION No. 3 of 2010

A RESOLUTION APPROVING THE WATER PURCHASE CONTRACT AND ADMINISTRATIVE SERVICES AGREEMENT BETWEEN THE TOWN OF BLANCHARD AND IEG UTILITIES, L.L.C. AND OTHERWISE PROVIDING WITH RESPECT THERETO

WHEREAS, the Town of Blanchard ("Town") is in the process of planning improvements to the Blanchard Public Water System ("System") whose PWS ID No. is LA1017006 (the "Project"); and,

WHEREAS, the Town desires to authorize the sale of water to IEG Utilities, L.L.C. ("IEG") in accordance with the provisions of the Water Purchase Contract (the "Contract") attached hereto and incorporated herein, in substantially the same form as the Contract, and with any of the insubstantial changes approved by the Town Attorney, and to authorize the Mayor to execute the Contract (as insubstantially modified, if such is the case) on behalf of the Town.

WHEREAS, the Town also desires to enter into an Administrative Services Agreement with IEG (the "Agreement") by which the Town shall invoice IEG's customers for water used and collect all water payments made by Purchaser's customers, and IEG shall pay an administrative fee for these services, which Agreement is attached hereto and incorporated herein, in substantially the same form as the Agreement, and with any of the insubstantial changes approved by the Town Attorney, and to authorize the Mayor to execute the Agreement (as insubstantially modified, if such is the case) on behalf of the Town.

NOW, THEREFORE, BE IT RESOLVED by the Board of Alderpersons of the Town, that the Town is authorized to sell water to IEG in accordance with the provisions of the Contract, and that the Mayor is authorized to execute the Contract on behalf of the Town.

BE IT FURTHER RESOLVED by the Board of Alderpersons of the Town, that the Town is authorized to enter into an Administrative Services Agreement with IEG, and that the Mayor is authorized to execute the Agreement on behalf of the Town.

BE IT FURTHER RESOLVED that if any provision or item of this Resolution or the application thereof is held invalid, such invalidity shall not affect other provisions, items or applications of this Resolution that can be given effect without the invalid provisions, items or applications and to this end the provisions of this Resolution are hereby declared severable.

BE IT FURTHER RESOLVED that any resolutions or parts hereof in conflict herewith are hereby repealed.

A MOTION TO ADOPT the above resolution was made by Prewett seconded by Ashby, and resulted in the following vote:

YEAS: Ashby, Lee, Prewett

NAYS: None

ABSENT: Jones, Whittington

ABSTAINING: None

And Resolution 3 of 2010 was adopted on this 12th day of January, 2010.

Report of Departments

Buildings and Grounds—Whittington absent. Yeates reported Town Hall repair should begin next week.

Streets and Rights of Way—Jones absent.

Water Dept.—Prewett stated everything running good, no major leaks.

Sewer Dept. — Ashby stated everything running good. Yeates reported wastewater treatment plant generator installed and should be online in a few weeks.

Police Dept.—Chief absent.

Treasurer Report—Lee recommended a 4% pay raise for C. Foshee on her anniversary date.

Comments by Mayor

Mayor stated he will have Jerry Edwards with the attorney's office research annexation procedures for Mrs. Simolke. Motion by Ashby to adjourn, second by Lee. All voted yea. Meeting adjourned 7:37.

Johnny Digilormo, Mayor

Debra Smith, Town Clerk