

MINUTES OF THE
REGULAR MEETING OF THE
BLANCHARD MAYOR AND TOWN COUNCIL
Tuesday, January 14, 2020 – 6:00 P.M.

Present: Mayor Galambos, Alderpersons Lee, Fuller, Presley and Whittington, Candy Foshee, Town Clerk, Perry Fuller, Utility Manager, Attys. Arceneaux and Bradford, Sgt. Pat Burroughs with CPSD and guests.

Absent: Guin, Chief Presswood

Meeting called to order by Mayor at 6:00 p.m.

Pledge of Allegiance led by Whittington

Invocation by Arceneaux

Questions and Statements of Citizens: None

Lee made motion to approve the meeting minutes of December 10, 2019. Second by Fuller. All voted yea.

OLD BUSINESS

NONE

NEW BUSINESS

Cook & Morehart CPA – Audit report for FY 2018-2019

Vickie Case with Cook and Morehart CPA presented the audit report for Fiscal Year 2018-2019. Two purchases at year end were inadvertently left out of the amended budget. The recommendation is to monitor the Town's budgets in the future and amend as needed.

Amendment 1 of 2020 to Resolution 13 of 2019 – “A Resolution declaring the intention of the Town of Blanchard, State of Louisiana, to issue not to exceed \$5,000,000 of its Utilities System Revenue Bonds, in one or more series; providing for certain terms of said bonds; authorizing application to the Louisiana State Bond Commission for approval of said bonds; approving the Notice of Intention; appointing Issuer’s Counsel, Bond Counsel and Independent Registered Municipal Advisor; and providing for other matters in connection therewith.

A motion was made by Whittington to make an amendment on Page 3, paragraph one to amend the following:

“...five per centum (5%) per annum...”

to

“...three per centum (3%) per annum...”

Second by Lee. All voted yea.

AMENDMENT TO RESOLUTION NO. 13 OF 2019

A Resolution declaring the intention of the Town of Blanchard, State of Louisiana, to issue not to exceed \$5,000,000 of its Utilities System Revenue Bonds, in one or more series; providing for certain terms of said bonds; authorizing application to the Louisiana State Bond Commission for approval of said bonds; approving the Notice of Intention; appointing Issuer’s Counsel, Bond Counsel and Independent Registered Municipal Advisor; and providing for other matters in connection therewith.

WHEREAS, the Town of Blanchard, State of Louisiana (the “*Issuer*”) owns and operates its drinking water system (the “*Water System*”) as a revenue-producing work of public improvement; and

WHEREAS, the Issuer owns and operates its sewer system as a revenue-producing work of public improvement (the “*Sewer System*” and, collectively with the Water System, the “*System*”); and

WHEREAS, it is the intention of the Issuer that the Bonds authorized herein be secured, in part, by the income and revenues derived from the operation of the System, after provision has been made for payment therefrom of the reasonable and necessary expenses of administering, operating and maintaining the System (the “*System Net Revenues*”);

WHEREAS, the Issuer is authorized to levy an *ad valorem* tax pursuant to its authority under Section 3914 of Title 33 of the Louisiana Revised Statutes of 1950, as amended for the purposes of maintain the Sewer System and is currently levying such *ad valorem* tax in the amount of 3.01 mills (the “*Sewer Tax*”); and

WHEREAS, it is the intention of the Issuer that the Bonds authorized herein be secured, in part, by and payable from the avails of the Sewer Tax, subject only to the payment of the reasonable and necessary costs and expenses of collection and administration of the Sewer Tax (the “*Sewer Tax Net Revenues*” and, together with the System Net Revenues, the “*Pledged Revenues*”); and

WHEREAS, the Issuer desires to finance the cost of acquisition, construction, and installation of improvements, extensions, and replacements to the Water System, including the physical consolidation of the Bel-Di-Gil Water System into the Water System (collectively, the “*Project*”); and

WHEREAS, in order to finance such costs, the Issuer, acting through its governing authority, the Board of Alderpersons of the Town of Blanchard, State of Louisiana (the “*Governing Authority*”) is authorized to and believes it to be in its best interest to issue bonds and incur debt pursuant to the provisions of Section 524 and Sub-Part A, Part II, Chapter 4 of Title 39 of the Louisiana Revised Statutes of 1950, as amended and/or other applicable laws (the “*Act*”); and

WHEREAS, pursuant to the Act and subject to the approval of the Louisiana State Bond Commission (the “*Commission*”), the Issuer desires to give notice of its intention to issue not to exceed \$5,000,000 of its Utilities System Revenue Bonds (the “*Bonds*”) to be secured by and payable from the Pledged Revenues; and

WHEREAS, the Bonds will be secured the Pledged Revenues (as hereinafter defined) on a parity with: (a) the Issuer’s outstanding Water Revenue Bonds, Series 2010B, issued in an original principal amount of \$2,657,000; (b) the Issuer’s outstanding Water Revenue Bonds, Series 2012A, issued in an original principal amount of \$8,400,000; (c) the Issuer’s outstanding Sewer Revenue Bonds, Series 2013, issued in an original principal amount of \$2,000,000; (d) the Issuer’s outstanding Water Revenue Bonds, Series 2014, issued in an original principal amount of \$4,930,000; and (e) the Issuer’s outstanding Water Revenue Bonds, Series 2015, issued in an original principal amount of \$2,895,000 (collectively, the “*Parity Bonds*”); and

WHEREAS, pursuant to the Act, it is now the desire of the Issuer to adopt this Resolution giving preliminary approval for the issuance of the Bonds for the purpose of (i) constructing the Project, and (ii) paying the costs of issuing the Bonds; and

WHEREAS, pursuant to the Act, the Issuer desires to authorize the publication of a Notice of Intention to issue the Bonds and the holding of a public hearing to hear any objections to the proposed issuance of the Bonds; and

WHEREAS, the Issuer desires to authorize the filing of an application with the Commission requesting that the Commission grant approval to the issuance of the Bonds in accordance with the Act; and

WHEREAS, the Issuer recognizes, finds and determines that a real necessity exists for the employment of Bond Counsel, Issuer's Counsel, and Independent Registered Municipal Advisor for the Bonds; and

NOW THEREFORE, BE IT RESOLVED, by the Governing Authority that:

Section 1. The Issuer hereby approves and authorizes the acquisition and construction of the Project.

Section 2. Pursuant to the provisions of the Act, the Issuer does give preliminary approval to the issuance of not to exceed \$5,000,000 of its Utilities System Revenue Bonds, in one or more series. The proceeds of the Bonds will be used for the purpose of (i) constructing the Project and (ii) paying the costs of issuing the Bonds. The form and details of the Bonds, the exact principal amounts and interest rates thereof shall be established pursuant to a subsequent ordinance adopted by this Governing Authority.

All of the Bonds shall be limited and special revenue bonds of the Issuer, secured by and payable in principal, interest and redemption premium, if any, solely from the Pledged Revenues and shall be issued on a complete parity with the Parity Bonds. The Bonds shall not be a charge on the other income and revenues of the Issuer as prohibited under the provisions of Article VI, Section 37 of the Louisiana Constitution of 1974, nor shall they constitute an indebtedness or pledge of the general credit of the Issuer. The Bonds shall be of such series, bear such dates, mature at such time or times, not to exceed twenty (20) years from their date of issuance, bear interest at such rate or rates not exceeding three *per centum* (3.0%) *per annum*, be sold at such price or prices, be in such denomination or denominations, be in fully registered form, carry such registration privileges, be payable in such medium of payment and at such place or places, be subject to such terms of redemption and be entitled to such priorities on the income and revenues of the System as the Issuer may provide by ordinance(s) adopted at the time or times of issuance of the Bonds.

The Issuer will, in such ordinance(s), enter into such covenants with the future owner or owners of the Bonds as to the management and operation of the System, the imposition and collection of fees and charges for the services rendered thereby, the disposition of such fees and revenues, the issuance of future bonds and the creation of future liens and encumbrances against the System and the revenues therefrom, the carrying of insurance on the System and the disposition of the proceeds of insurance, the keeping of books and records, and other pertinent matters as may be deemed proper by this Governing Authority to assure the marketability of the Bonds, consistent with the provisions of the Act and other applicable laws and regulations. Such ordinance(s) will also include remedies in case of default, provision for the issuance of parity bonds, and such additional covenants, agreements and provisions as are judged advisable or necessary by the Issuer for the security of the registered owners of the Bonds, including sinking funds and reserves for the payment of principal and interest on the Bonds and an adequate depreciation fund for those repairs, extensions and improvements to the System as may be necessary to assure adequate and efficient service to the public, all as provided by the Act.

The Bonds are expected to be purchased by the Louisiana Department of Health through its Drinking Water Revolving Loan Fund Program.

Section 3. The Issuer hereby authorizes and approves the publication of a Notice of Intention (the “*Notice of Intention*”) to issue the Bonds in substantially the form attached hereto as **EXHIBIT A** (with such addition, omissions and changes as shall be recommended by counsel) in four (4) consecutive weekly publications of *The Inquisitor*, a newspaper published in the Town of Blanchard, State of Louisiana, having general circulation throughout the Issuer and being the official journal of the Issuer.

Section 4. The Issuer hereby authorizes the conduct of a public hearing as required by the Act and as set forth in the Notice of Intention. The date and time of the public hearing shall be set by the Mayor of the Issuer and shall be set forth in the Notice of Intention.

Section 5. The selection of RSI Group, LLC, as Independent Registered Municipal Advisor to the Issuer is hereby authorized.

Section 6. It is recognized, found and determined that a real necessity exists for the employment of Issuer’s Counsel in connection with the proposed financing as described herein, and, accordingly, the firm of Blanchard, Walker, O’Quin & Roberts, PLC, is hereby employed as Issuer’s Counsel.

Section 7. It is recognized, found and determined that a real necessity exists for the employment of Bond Counsel to the Issuer in connection with the proposed financing as described herein, and, accordingly, the firm of Butler Snow LLP, is hereby employed as Bond Counsel to the Issuer to do and to perform comprehensive, legal and coordinate professional work with respect to any proposed financing. Bond counsel shall (i) prepare and submit to the Issuer for adoption all of the proceedings incidental to the authorization, issuance, sale and delivery of the Bonds; (ii) counsel and advise the Issuer with respect to the issuance and sale of the Bonds; and (iii) furnish its opinion covering the legality of the issuance thereof. The fees to be paid Bond Counsel shall be an amount not to exceed the Attorney General’s then current Bond Counsel Fee Schedule as negotiated and other guidelines for comprehensive, legal and coordinate professional work in the issuance of revenue bonds applied to the actual aggregate principal amount issued, sold, delivered and paid for at the time the Bonds are delivered, together with reimbursement of out-of-pocket expenses incurred and advanced in connection with the issuance of the Bonds, said fee to be payable from proceeds of the Bonds by the Issuer for costs related to the issuance of the Bonds, subject to the Attorney General’s written approval of said employment and fee.

Section 8. The Mayor and the Town Clerk of the Issuer are further authorized and directed to do any and all things necessary and incidental to carry out the provisions of this Resolution and effect the financing of the Project, including but not limited to application to the Commission for further approvals.

Section 9. Application is hereby formally made to the Commission, Baton Rouge, Louisiana, for approval of the Bonds within the parameters set forth in Paragraph 2 above. A certified copy of this Resolution shall be submitted to the Commission, together with a request for prompt consideration and approval of this application.

Section 10. By virtue of the Issuer’s application for, acceptance and utilization of the benefits of the Commission’s approval, the Issuer hereby resolves that it understands and agrees that such approval is 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 form of Derivative Product Hedges, Etc.*”, adopted by the Commission on July 20, 2006 (the “*Policy*”), as to borrowing and other matters subject to the approval,

including subsequent application and approval under said Policy of the implementation or use of any swap or other products or enhancements covered thereby.

Section 11. All resolutions or parts thereof in conflict herewith are hereby repealed including Resolution 13 of 2019.

This Resolution having been submitted to a vote as amended, the vote thereon was as follows:

YEAS: Lee, Fuller, Presley, Whittington

NAYS: None

ABSENT: Guin

ABSTAIN: None

And the Resolution was declared adopted as amended on this the 14th day of January, 2020.

EXHIBIT A
NOTICE OF INTENTION TO ISSUE NOT TO EXCEED \$5,000,000
OF THE TOWN OF BLANCHARD, STATE OF LOUISIANA UTILITIES SYSTEM REVENUE
BONDS IN ONE OR MORE SERIES

As provided by a Resolution adopted by the Board of Alderpersons of the Town of Blanchard, State of Louisiana, acting as the governing authority (the “*Governing Authority*”) of the Town of Blanchard, State of Louisiana (the “*Issuer*”), on January 14, 2020, the Issuer **HEREBY DECLARES ITS INTENTION** to issue not to exceed Five Million Dollars (\$5,000,000) of its Utilities System Revenue Bonds (the “*Bonds*”), for the purpose of paying the cost of acquisition, construction and installation of improvements, extensions and replacements to the Issuer’s drinking water system that is owned and operated by the Issuer as a revenue-producing work of public improvement (the “*Water System*”), including the physical consolidation of the Bel-Di-Gil Water System in to the Water System (collectively, the “*Project*”).

The Bonds will be limited and special revenue bonds of the Issuer, secured by and payable solely from the revenues of the Water System and the Issuer’s sewer system that is owned and operated as a revenue-producing work of public improvement (the “*Sewer System*” and, collectively with the Water System, the “*System*”), after there have been paid from those revenues the reasonable and necessary expenses of administering, operating and maintaining the System, and shall be issued on a parity with (a) the Issuer’s outstanding Water Revenue Bonds, Series 2010B; (b) the Issuer’s outstanding Water Revenue Bonds, Series 2012A; (c) the Issuer’s outstanding Sewer Revenue Bonds, Series 2013; (d) the Issuer’s outstanding Water Revenue Bonds, Series 2014; and (e) the Issuer’s outstanding Water Revenue Bonds, Series 2015, issued (collectively, the “*Parity Bonds*”). The Bonds will not be a charge on the other income and revenues of the Issuer, nor shall they constitute an indebtedness or pledge of the general credit of the Issuer. The Bonds will be issued pursuant to Section 524 and Sub-Part A, Part II, Chapter 4 of Title 39 of the Louisiana Revised Statutes of 1950, as amended, and/or other applicable laws (collectively, the “*Act*”).

The Bonds will be issued and authorized by ordinance(s) adopted by the Governing Authority of the Issuer, in one or more series, will bear such dates and mature at such time or times, not to exceed twenty (20) years from their date of issuance, bear interest at such rate or rates not exceeding three *per centum* (3.0%) *per annum*, and will be subject to prepayment anytime without penalty. As provided by the Act, all of the other details of the Bonds will be set forth in the ordinance(s) authorizing their issuance, including the following: covenants relating to the management and operation of the System, the imposition and collection of rates and charges from the System’s customers, the expenditure of such rates and charges, the issuance of future bonds and the creation of future liens and encumbrances against the System and all other pertinent matters as may be necessary to the authorization and issuance of the Bonds.

The Bonds are expected to be sold at a private sale, as provided for in the Act, to the State Drinking Water Revolving Loan Fund, and the Bonds will also be approved by the Louisiana State Bond Commission prior to their delivery.

THE PUBLIC IS HEREBY NOTIFIED that the Governing Authority will meet in open and public session on February 11, 2020 at 6:00 p.m. at its regular meeting place located at 110 Main Street, Blanchard, Louisiana for the purpose of hearing any objections to the proposed issuance of the Bonds. If a petition is presented to the Issuer at this open and public meeting duly signed by electors of the Issuer in a number not less than five percent (5%) of the number of such electors voting at the last election held in the Issuer object to the issuance of the Bonds, then the Bonds shall not be issued until approved by a vote of a majority of the qualified electors of the Issuer who vote in a special election held for the purpose in the manner provided by Chapter 6-A of Title 18 of the Louisiana Revised Statutes of 1950. Any such petition must be accompanied by a certificate of the Registrar of Voters of Lafourche Parish certifying that the signers of the petition are registered electors of the Issuer and the number of signers amounts to not less than five percent (5%) of the registered electors in the Issuer that voted at the last election within the Issuer.

[This is the Notice of Intention to Issue Bonds by the Issuer as mandated by Louisiana Revised Statute 39:525(J).

Motion to accept Amendment 1 of 2020, as amended of Resolution 13 of 2019 made by Whittington. Second by Lee. All voted yea.

Amendment 1 of 2020, as amended, of Resolution 13 of 2019 was adopted this 14th day of January, 2020.

Proclamation – Recognizing January 26 – February 1, 2020 as “School Choice Week”

Motion made by Fuller, second by Lee to recognize January 26 – February 1, 2020 as “School Choice Week.” All voted yea.

Introduction of Ordinance 1 of 2020 - An ordinance to enlarge the limits and boundaries of the town of Blanchard, Louisiana to include a tract of land lying wholly within the right of way of La. State Hwy 1, located in the NW/4 of Section 31, Township 19 North, Range 14 West, Caddo Parish, Louisiana, containing 1.360 acres, more or less, in Caddo Parish, Louisiana, and otherwise providing with respect thereto (Hwy 1 ROW for Turning R Properties LLC)

Lee introduced by title only.

December 2019 financials (to be emailed)

When the bank statements are reconciled, financials will be emailed.

Report from:

Perry Fuller, Utility Manager – month of December - 3 leaks repaired, 4 meter sets, 45 locates marked. Current projects are on track.

Gary Presswood, Chief of Police – upon the recommendation of Chief Presswood, Whittington made motion to hire Timothy Bounds as a patrol officer with the Blanchard Police Department effective as soon as possible in accordance with all required paperwork. Second by Lee. All voted yea.

Kevin Sandifer, Historian – would like to set up a workshop in February, 2020 to discuss the preparations for the 125th Anniversary of Blanchard and to secure more volunteers.

COMMENTS BY THE MAYOR

Please come out and support A Taste of Blanchard. It begins on Friday, January 17 and continues on Saturday, January 18, 2020. There will be a chili cook off, craft vendors, and a corn hole tournament. We are still working on the paperwork for the sewer plant project and as soon as the funds are available, we will be able to proceed with the needed repairs.

There being no further business, Whittington made motion to adjourn, second by Lee. All voted yea. Meeting adjourned at 6:25 pm.

Jim Galambos, Mayor

Candy Foshee, Town Clerk