

South Toledo Bend Water District



3260 Little Flock Road • Many, LA. 71449



Malcolm Franks, President • Michael Walker, Vice President
Anna Ferguson, Secretary/Treasurer
Commissioners: Rodney DeRouen • Tim Collins

Minutes of South Toledo Bend Water Board April 8, 2021

Board Members Present: Malcolm Franks, Mike Walker, Tim Collins, Rodney DeRouen, Anna Ferguson
Others Present: Rick Leonard (superintendent), Mike Busada (Butler/Snow), Jamie Holloway (Gov't Consultants), Mark McCarty (Meyers & Assoc.), Tiffaney Spurl (Foley & Judell, LLP)

Meeting was called to order at 5:30 PM by Malcolm Franks. A prayer was said, the roll was called and there was a quorum to conduct business.

A motion to adopt the agenda was made by Tim Collins, 2nd by Rodney DeRouen, motion passed.

No public was present.

NEW BUSINESS:

1. The minutes of the March 11, 2021 meeting were brought to the floor for approval. A motion to approve the minutes of the March meeting was made by Tim Collins, 2nd by Rodney DeRouen, motion passed.
2. The treasurer's report for March was presented by Anna Ferguson. Checks written for the month of March were #014787 thru #014815. Board members were presented with a bank balance sheet. A motion to accept the treasurer's report for March was made by Tim Collins, 2nd by Rodney DeRouen, motion passed.
3. A motion to authorize payment of the bills was made by Tim Collins, 2nd by Rodney DeRouen, motion passed.
4. Refinancing loan & resolution: Mike Busada & Jamie Holloway presented the board with the resolution for refinancing the loan. Mr. Holloway stated that we will close on this the 22nd and pay the USDA on the 23rd. Anna will need to establish two (2) new accounts at the bank. One will be the "Bond Proceeds Fund" and the other will be the "Water Revenue Refunding Bonds Principal and Interest Sinking Fund". The rate they got for us is 2.53% with a total cash savings of \$575,948.18. Mr. Busada stated that in addition to the savings there are accounts with restrictive funds that will go away and the money from those will be released. This will be the "contingency fund" and the "reserve fund". Anna asked if he meant we are closing those accounts and he responded yes, and that those funds would be released at closing. Malcolm said we are going to close those 2 accounts and open up 2 new accounts. The combined proceeds from the 2 closed accounts will be moved to the "asset replacement account". Mr. Busada stated that the only requirements that the bank had was that we do an annual audit and that we have coverage showing you have 125% revenue coming in related to your expenses. Mr. Busada will come down before the 22nd and meet with Malcolm & Anna to make sure everything is ready. The only thing that is required of the board, tonight, is to do the resolution. Malcolm addressed the board members and stated that we are here to finalize and say "yes" and to go ahead and make the proper notifications. We have all the numbers in front of us. We have a disclosure on the fees, so we need to go ahead and finalize this. Malcolm & Mr. Busada met with the police jury in February and got the okay to proceed. Mr. Busada will take care of putting the resolution in the newspaper. Malcolm read aloud Resolution No. 4.8.2021 #1, "A Resolution authorizing the issuance of not to exceed Three Million Dollars (\$3,000,000) of Water Revenue Refunding Bonds, in one or more series, of the South Toledo Bend Waterworks District of the Parish of Sabine, State of Louisiana; prescribing the form, fixing the details and providing for the payment of principal of and interest on such Bonds; authorizing the execution of a Bond Purchase Agreement and any other documents and instruments necessary in connection with the issuance and sale of the Bonds; and providing for other matters in connection therewith." A motion to dispense with reading the entire Resolution was made by Mike Walker, 2nd by Rodney DeRouen, all agreed, motion passed unanimously. A motion to pass Resolution No. 4.8.2021 #1 as duly read was made by Mike Walker, 2nd by Rodney DeRouen, all agreed, motion passed unanimously.

The voting was as follows: AYES 5 NAYS 0 ABSENT 0 ABSTAIN 0

5. Tiffany Spurl (Foley & Judell, LLP) was present in the place of Alan Offner. She presented copies of the resolution to be considered for adoption by the board declaring the intention to issue taxable water revenue bonds. The board reviewed the resolution. Ms. Spurl told the board what information her office would need to receive by the application deadline of April 21st so it could be presented to the State Bond Commission meeting on May 20th. Malcolm read aloud Resolution No. 4.8.2021 #2, "A Resolution declaring the intention of South Toledo Bend Waterworks District of the Parish of Sabine, State of Louisiana, to issue Taxable Water Revenue Bonds, in one or more series, in an amount not to exceed Two Million Eight Hundred Fifty-Five Thousand Dollars (\$2,855,000) for the purpose of paying costs of constructing and acquiring improvements and replacements to the drinking water system of said District, and providing for other matters in connection therewith." A motion that we forego reading the balance of this resolution was made by Mike Walker, 2nd by Rodney DeRouen, all agreed, motion passed. A motion was made by Mike Walker that we pass Resolution No. 4.8.2021 #2 as written, 2nd by Rodney DeRouen, all agreed, motion passed unanimously.

The voting was as follows: AYES 5 NAYS 0 ABSENT 0 ABSTAIN 0

A copy of the resolution will be posted in the Sabine Index on April 14th. Ms. Spurl presented the board with a Notice of Intent which must be published in the Sabine Index on May 12, May 19, May 26, and June 2, 2021, in order to hold the public hearing on June 10, 2021, as provided by the resolution. Lastly, Malcolm signed the engagement letter that Ms. Spurl presented to the board, pertaining to their employment as bond counsel.

6. Clearing of the deed: Malcolm and the attorney reached out to Weyerhaeuser. A letter was received dated Tuesday, March 20th stating, "All approvals completed yesterday from corporate. Everything done on my end. You should see a contract & draft deed anytime. When they send it to me, I will forward to you. You will see a "Sale" contract first." We have agreed to the price on title for the deed. We basically have a green light to move forward on our project.
7. Engineering update: Mark McCarty (Meyers & Assoc.) presented the well plans. Received approval from health department, they issued our permit, so we can now advertise for the bids on the well contract. Mark would like to run the 1st ad in the paper next week. He can receive the bids at his office, if the board is agreeable, and provide tabulated certified results at the meeting on the 13th. This has to be advertised for 25 days. About a week before the bid opening, he likes to get with the well contractors and make sure they are comfortable with being able to put a bid together. This also heads off any possible problems. If he finds that more time is needed, he will let the board know. Mark would like to do the opening at his office. It does not need to be a board meeting. Rick asked about the land clearing. Mark told him that the land clearing was part of the contract. The well contractors would have a sub-contractor for this. It would help us with our price if we could help the well contractors find a sub-contractor to do the clearing, maybe someone local. The scope of the work would be to clear the property, construct a temporary entrance for them to get the well rig in and for them to drill the well. Malcolm stated that everything is contingent on the first well. Mark stated that initially, the first thing to go out would be the well contract. They will clear the property, drill the hole, look at the sand, decide where they want to test the water, test the water and if everything works out, they will construct well #1. Based on this information and based on it having been a successful contract, we will put out the subsequent contracts to do the build out. Mark stated that this is the bare minimum to get the well drilled. Malcolm stated that for right now, we are looking at one well, the clearing and all that. We may be better served to go ahead and change the pumps. Right now, we are looking at 1 additional tank at Esto. A motion was made by Mike Walker that we advertise for bids for South Toledo Bend Waterworks District water well #1, 2nd by Rodney DeRouen, all agreed, motion passed unanimously.
8. Rick Leonard presented the Superintendent's report for March 2021 to the Board:
- All monthly State reports and samples sent to LADHH.
 - For the month of March, the plant processed 8,188,000 gals of water @ an average of 264,129 gals. per day and shipped out 7,790,541 gals. of water @ an averaging of 251,307 gals. per day
 - Plant usage for production (chlorine, caustic, & polymer carrier waters) estimated @ 50,000 gallons.
 - Plant usage for backwashing was 397,459 gallons.
 - By-products letters
 - Insurance...due to the amount of the hydro tank, the insurance company sent the info on to their engineer to see what they could do.
 - Mike Pitt...wants to add 19 new connections at SouthView (Phase 7).
 - Inline meters pricing
 - Well permit

A motion to accept the superintendent's monthly report was made by Mike Walker, 2nd by Rodney DeRouen, motion passed.

OLD BUSINESS:

Announcements/Comments: Mike said there is a bill that has been pre-filed in the legislature to allow a water district to forgive a higher than normal water bill, if it is found not to be the customers fault. This could be open to interpretation.

There was no other business and a motion to adjourn was made by Mike Walker, 2nd by Rodney DeRouen, all agreed, motion passed.

NEXT BOARD MEETING: Thursday, May 13, 2021 AT 5:30 PM

South Toledo Bend Water Plant – 3260 Little Flock Road, Many, LA 71449

Prepared by: Betty Maupin – Administrative Assistant

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Telephone: 318-586-9836

Email: stbwd09@hughes.net

FAX: 318-586-3119