

Natchitoches City Council will have a pre-council meeting beginning at 5:00 p.m. and ending at 5:30 p.m. to discuss non-agenda items. The City Council meeting will begin promptly at 5:30 p.m. on the second and fourth Monday of each month and will be reserved to only items on the Agenda. The public is invited to both the pre-council meetings and council meetings with the understanding that items not on the agenda will not be discussed at the scheduled council meetings, but the public is welcome to discuss any topic at the pre-council meetings.

**NATCHITOCHEs CITY COUNCIL MEETING
MARCH 11, 2013
5:30 P.M.**

AGENDA

1. **CALL TO ORDER**
2. **INVOCATION**
3. **PLEDGE OF ALLEGIANCE**
4. **READING AND APPROVAL OF THE MINUTES OF FEBRUARY 25, 2013**
5. **ORDINANCES – FINAL:**
 - #005 Stamey** Ordinance, Upon The Recommendations Of The Purchasing Department And The Airport Commission, That The City Council Of The City Of Natchitoches Authorize A Lease Of That Area Under Fence At The Natchitoches Regional Airport For Hay Operations With James Russell Stacy, And Authorizing The Mayor, Lee Posey, To Execute Said Lease On Behalf Of The City Of Natchitoches, And To Provide For Advertising
 - #006 Mims** Ordinance, Upon The Recommendations Of The Purchasing Department, That The City Of Natchitoches Enter Into A Lease Of A 25 Acre Tract In The Industrial Park For Hay Operations With James Russell Stacy, And Authorizing The Mayor, Lee Posey, To Execute Said Lease On Behalf Of The City Of Natchitoches, And To Provide For Advertising
 - #007 Morrow** Ordinance Authorizing The Mayor Of The City Of Natchitoches, Louisiana, To Enter Into A Cooperative Endeavor Agreement With The Historic District Business Association Inc. Which Said Agreement Will Set Forth The Duties And Responsibilities Of Each Part For 2013 Festival Of Lights, Providing For An Automatic Annual Renewal, Providing For Advertising, Further Providing For Severability, And Further Providing For A Repealer And Effective Date Of Ordinance
 - #008 Payne** Ordinance To Adopt Section 10-74.1, Entitled “Fireworks, Use Or Discharge”, Which Section Is Located In The Criminal Code, Chapter 10 Of The Code Of Ordinance, Said Section Being Adopted To Make It Illegal To Use Or Discharge Fireworks Outside Of Permitted Time Period In The City Of Natchitoches, And Further Providing For A Repealer And Effective Date Of Ordinance

6. **RESOLUTIONS:**

#011 Nielsen Resolution Giving Notice Of Intention Of The City Of Natchitoches, State Of Louisiana (The "City"), To Enter Into A Power Sales Contract By And Between The City And The Louisiana Energy And Power Authority Relative To A Source Of Electric Energy And Power For The City's Electric System, Ordering A Public Hearing In Connection Therewith, Providing For The Publication Of Such Power Sales Contract And Notice Of The Public Hearing As Required By Law And Providing For Other Matters Incidental Or Necessary Relative To The Foregoing

#012 Payne Resolution To Appoint Bill Allen To Fill The Unexpired Term Of Sam Fowler As Commissioner On The Natchitoches Parish Port Commission For The City Of Natchitoches

7. **REPORTS:** Pat Jones - Financial Report

8. **ANNOUNCEMENTS:**

The offices of the City of Natchitoches will be closed Friday, March 29, 2013 for Good Friday

9. **ADJOURNMENT:**

NOTICE TO THE PUBLIC

In accordance with the Americans with Disabilities Act, if you need special assistance, please contact the City Clerk's Office at (318) 352-2772 describing the assistance that is necessary.

If you wish to address the Council, please complete the "Request to Address City Council" form located on the entrance table.

**PROCEEDINGS OF THE CITY COUNCIL
OF THE CITY OF NATCHITOCHES, STATE OF LOUISIANA,
REGULAR MEETING HELD ON
MONDAY, MARCH 11, 2013 AT 5:30 P.M.**

The City Council of the City of Natchitoches met in legal and regular session at the Natchitoches Arts Center, 716 Second Street, Natchitoches, Louisiana on Monday, March 11, 2013 at 5:30 p.m.

There were present:

Mayor Lee Posey
Councilman At Large Don Mims, Jr.
Councilmen David Stamey, Dale Nielsen,
Councilman Larry Payne
Councilwoman Sylvia Morrow

Guests:

Absent: None

Mayor Lee Posey called the meeting to order and welcomed everyone for coming. Michael Braxton was asked to lead the invocation and David Stamey was asked to lead the pledge of allegiance.

Mayor Posey next brought the reading and approval of the minutes of the February 25, 2013 meeting. Mr. Mims moved that we dispense with the reading of the minutes and approval of same. Seconded by Mr. Stamey. The roll call vote was as follows:

Ayes: Payne, Nielsen, Mims, Stamey, Morrow.
Nays: None.
Absent: None.

Mayor Posey announced those in the community who had passed away over the past few weeks were Mr. Eddie White, Mr. Sam Coker, and Mr. G. Stanley Lewis. He asked everyone to keep each of the families in their prayers.

The following Ordinance was Introduced by Mr. Stamey and Seconded by Mr. Nielsen as follows, to-wit:

ORDINANCE NO. 005 OF 2013

AN ORDINANCE, UPON THE RECOMMENDATIONS OF THE PURCHASING DEPARTMENT AND THE AIRPORT COMMISSION, THAT THE CITY COUNCIL OF THE CITY OF NATCHITOCHEs AUTHORIZE A LEASE OF THAT AREA UNDER FENCE AT THE NATCHITOCHEs REGIONAL AIRPORT FOR HAY OPERATIONS WITH JAMES RUSSELL STACY, AND AUTHORIZING THE MAYOR, LEE POSEY, TO EXECUTE SAID LEASE ON BEHALF OF THE CITY OF NATCHITOCHEs, AND TO PROVIDE FOR ADVERTISING.

WHEREAS in response to a request for proposals issued with regard to a hayfield lease at the Natchitoches Regional Airport, the City of Natchitoches received certain proposals; and

WHEREAS FURTHER, the Purchasing Department reviewed the responses and determined that the best price to the City was contained in the proposal submitted by James Russell Stacy, and the Purchasing Department and the Airport Commission now recommend to the City Council that the lease be awarded to Mr. Stacy; and

WHEREAS FURTHER, Mr. Stacy has conducted hay field operations for the City of Natchitoches in the past and Mr. Stacy has satisfactorily fulfilled his obligations under leases in the past; and

WHEREAS FURTHER, the Purchasing Department has recommended to the City Council of the City of Natchitoches that James Russell Stacy be awarded the lease based upon his response, and that the attached lease agreement be approved; and

WHEREAS FURTHER, a lease has been prepared setting forth the term, conditions, and consideration for the proposed hay field lease;

WHEREAS FURTHER, under the provisions of Louisiana R. S. 33:4712, any property owned by the City can be leased to any person after due advertisement and compliance with the law;

WHEREAS FURTHER, the City Council is of the opinion that the hay field rights are not needed by the City for any public purpose, but are a potential source of revenue if leased;

NOW THEREFORE BE IT ORDAINED by the City Council of the City of Natchitoches, in legal session convened, that the recommendations of the Purchasing Department are hereby approved; and

BE IT FURTHER ORDAINED that Lee Posey, Mayor of the City of Natchitoches, be and he is hereby authorized and empowered to enter into a lease agreement with James Russell Stacy, for hay field operations, all in substantial compliance with the lease agreement, a copy of which is attached hereto and approved by the Director of Purchasing.

BE IT FURTHER ORDAINED that notice of this proposed ordinance be published three (3) times in fifteen (15) days, one (1) week apart, in the Natchitoches Times, the legal journal for the City, and that ordinance be posted in the City Hall.

BE IT FURTHER ORDAINED that any opposition to this ordinance shall be made in writing, filed with the Clerk for the City of Natchitoches within fifteen (15) days after the first publication of this ordinance, and that a public hearing be held after the advertisements have been completed.

BE IT FURTHER ORDAINED that the City Clerk be authorized to advertise this proposed lease in accordance with law, i.e., three times in fifteen days, one week apart and to report to the City Council if any opposition is made in writing prior to the time of final adoption.

BE IT FURTHER ORDAINED that the City takes cognizance of the fact that the rights to the property described above is not needed for public purposes by the City.

THIS ORDINANCE was introduced on February 11, 2013 and published in the *Natchitoches Times* on February 16, 23, and March 2, 2013.

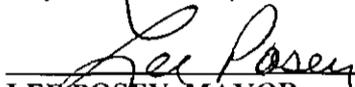
The above Ordinance having been duly advertised in accordance with law and public hearing had on same, was put to a vote by the Mayor and the vote was recorded as follows:

THIS ORDINANCE was introduced on February 11, 2013 and published in the *Natchitoches Times* on February 16, 23, and March 2, 2013.

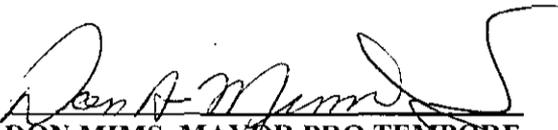
The above Ordinance having been duly advertised in accordance with law and public hearing had on same, was put to a vote by the Mayor and the vote was recorded as follows:

AYES: Stamey, Morrow, Payne, Nielsen, Mims
NAYS: None
ABSENT: None
ABSTAIN: None

THEREUPON, Mayor Lee Posey declared the Ordinance passed by a vote of 5 Ayes to 0 Nays this 11th day of March, 2013.



LEE POSEY, MAYOR



DON MIMS, MAYOR PRO TEMPORE

Delivered to the Mayor on the 12th day of March, 2013 at 10:00 A.M.

STATE OF LOUISIANA

PARISH OF NATCHITOCHE

AIRPORT HAY LEASE

BE IT KNOWN that on the dates and at the places hereinafter indicated, before me the undersigned Notary Public and subscribing witnesses personally came and appeared:

THE CITY OF NATCHITOCHE, a Louisiana municipal corporation organized and operating under a Home Rule Charter, represented herein by Lee Posey, Mayor, duly authorized to sign act herein by Ordinance No. **005** of 2013, a copy of which is attached hereto and made a part hereof (hereinafter called "CITY" or "LESSOR");

and

James Russell Stacy, a resident of Natchitoches Parish, with mailing address of 2738 Highway 494, Natchitoches, Louisiana 71457 (sometimes hereinafter referred to as "LESSEE" or "STACY")

All of whom declared as follows, to-wit:

The **LESSOR** does hereby lease and let unto the **LESSEE** and the **LESSEE** does hereby lease from the **LESSOR**, for hayfield operations only, the property inside the security fence at Natchitoches Regional Airport.

TERM

The term of this lease shall be from March 12, 2013, through December 31, 2014.

RENTAL

The rental for the leased premises shall be based on the number of hay bales produced on the leased premises under the following schedule:

\$6.25 per 5' X 5', round bale.

The above amounts are to be paid per round hay bale produced. For the purposes of the lease, a round hay bale will be defined as a 5' X 5' bale. Payments will be made to the City of Natchitoches no later than 30 days after each cutting.

USE OF PREMISES

LESSOR and **LESSEE** agree that the **LESSEE** shall have the right to use and occupy the premises for hay rights only and the **LESSEE** is to use the premises for no other agricultural purpose or any other purpose, whatsoever.

It is understood and agreed that the **LESSEE** will use the premises for hay purposes and will utilize the land in an husbandman like manner and will not violate any laws or regulation regarding the handling, storage, or disposal of hazardous waste or materials and will be solely responsible for any violations of State or Federal law regarding same if **LESSEE** has caused the circumstances leading to the said violations. **LESSEE** agrees to indemnify and hold the **LESSOR** harmless from any such violations. **LESSEE** further agrees that he will not use the property for any purpose that would violate EPA or DEQ rules or regulations.

The **LESSEE** agrees to store hay bales along the fence line at locations approved by the Airport Manager, and all hay bales must be removed outside of the fence line within 10 days of cutting and rolling. All hay bales must be removed from the Airport grounds no later than December 31 of the year that the hay is baled.

The property must be returned to the **LESSOR** in the same good condition that it is received, properly cut and trimmed, at the end of the term of the lease.

The **LESSEE** acknowledges and understands that the premises are used as a regional airport facility and that there are safety issues and regulations associated with the regional airport facility. If in the opinion of the Airport Director the height of the vegetation is such that it constitutes a safety issue, the Airport Director will notify the **LESSEE** in writing. If the **LESSEE** fails to cut the premises within 48 hours from the date of the notice the **LESSOR** reserves the right to cut the premises, and the **LESSEE** waives any claim for loss of income.

WARRANTY

LESSOR warrants that it has the right to lease the property covered by this agreement and will defend **LESSEE'S** possession against any and all persons whomsoever. **LESSEE** binds and obligates himself to notify **LESSOR** immediately of any adverse possession of the leased premises, or of any adverse claim which may be asserted with respect to it.

SUBLETTING

LESSEE shall not sublet or assign the leased premises without the express written consent of the **LESSOR**.

INDEMNITY

LESSOR will not be responsible for the loss or damage to **LESSEE'S** personal property, due to fire, theft, or other mishap. **LESSEE** shall protect and save **LESSOR** harmless from any claims or injuries to property or persons resulting from accidents or other occurrences on the leased premises; such liability being specifically assumed by **LESSEE**.

LESSEE agrees and hereby covenants to assume all liability for his farming operations and **LESSEE** further assumes all responsibility for the condition of the premises as provided in Louisiana R. S. 9:3221.

LESSEE agrees to carry his own liability insurance on the property and agrees to furnish a copy of said insurance policy to the **LESSOR**.

FURTHER CONDITIONS OF THE LEASE

1) The **LESSEE** and all of the **LESSEE's** personnel shall meet with the Airport Manager prior to working on the first day of the hay lease for a brief training session to discuss airport rules and safety concerns. All new personnel, prior to working on the airport premises for the first time shall also meet with the Airport Manager for a brief training session.

2) The **LESSEE** must check in at terminal when working on airport grounds so that a Notam can be issued as a safety precaution for aircraft using the airport.

3) No equipment shall be allowed on either runway at any time.

4) All equipment left on the airport premises overnight shall park at the dead end road by the T-Hangers. This location will be shown to you as part of your training session.

5) All equipment shall give right of way to all aircraft.

6) This lease will be subject to the restrictions that all baled hay within 250 feet of the runways and taxiways must be removed before dark and stored by the fence or taken off the airport premises. Hay may be stored along the fence line, but must be removed at the end of the year before new hay field operations for the following year begin.

7) No bales of hay are permitted to be placed on the ground at either the approach or departure ends of any runway at any time.

8) The **LESSEE** will be responsible for any damage to Navigational Aids, such as runway lights, that occurs while **LESSEE** is cutting, raking, baling or transporting hay.

9) The City of Natchitoches and the Airport Commission reserve the right to impose reasonable requirements upon the lessee to provide for the general health, safety, and welfare of the users of the airport or to comply with any Federal Aviation Administration (FAA) or Department of Transportation and Development (DOTD) Regulations.

10) Bales of hay must be counted and reported to the Airport Manager prior to removing the hay from the premises.

11) Damaged bales of hay must be removed by the **LESSEE**.

12) All moving equipment must have flashing caution lights working at all times or have an FAA approved safety flag on all equipment.

13) The **LESSOR** shall have the authority to terminate this lease immediately if the **LESSEE** violates any FAA or DOTD regulations or if the **LESSOR** is requested or required by the FAA or DOTD to terminate the lease.

14) This lease shall be subordinate to the provisions of any existing or future agreement between the City of Natchitoches and the United States relative to the operation or maintenance of the airport, the execution of which has been or may be required as a condition precedent to the expenditure of federal funds for the development of the airport, and during the time of war and national emergency, the City of Natchitoches shall have the right to lease any part of said airport to the United States Government if requested to do so.

15) The **LESSOR** will pay all ad valorem taxes on the leased premises.

16) **LESSEE** recognizes the importance of maintaining a safe airport, and agrees to cut hay within 5 days of notification by the Airport Manager that a cutting is necessary. Once cutting begins, **LESSEE** will have seven days to complete any cutting.

17) This lease shall inure to the benefit of and be binding upon the **LESSOR**, its respective executors, administrators, successors and assigns. This lease shall also inure to the benefit of the heirs of the **LESSEE**.

NOTICES

All notices to either **LESSEE** or **LESSOR** shall be addressed to the addresses set forth in the appearance clauses above, unless notified otherwise in writing.

RENTAL PAYMENTS

All rental payments shall be made payable to the City of Natchitoches, Louisiana, in care of the Airport Manager at the Natchitoches Regional Airport Terminal Building.

STATE OF LOUISIANA

PARISH OF NATCHITOCHE

THUS DONE AND PASSED before me, the undersigned Notary Public and subscribing witnesses on this the 21st day of March, 2013, at Natchitoches, Louisiana.

WITNESSES:

Stacy McCreary

Hannah Weminger

CITY OF NATCHITOCHE

Lessor

Lee Posey
By: Lee Posey, Mayor

WITNESSES:

Darlene Harper

Lee Posey

James Russell Stacy
By: James Russell Stacy, Lessee

Edd R. Lee

NOTARY PUBLIC

Print Name Edd R. Lee

Notary # 15749

The following Ordinance was Introduced by Mr. Mims and Seconded by Mr. Payne as follows, to-wit:

ORDINANCE NO. 006 OF 2013

AN ORDINANCE, UPON THE RECOMMENDATIONS OF THE PURCHASING DEPARTMENT, THAT THE CITY OF NATCHITOCHEES ENTER INTO A LEASE OF A 25 ACRE TRACT IN THE INDUSTRIAL PARK FOR HAY OPERATIONS WITH JAMES RUSSELL STACY, AND AUTHORIZING THE MAYOR, LEE POSEY, TO EXECUTE SAID LEASE ON BEHALF OF THE CITY OF NATCHITOCHEES, AND TO PROVIDE FOR ADVERTISING.

WHEREAS in response to a request for proposals issued with regard to a hayfield lease of a twenty-five acre tract at the Natchitoches Industrial Park, the City of Natchitoches received certain proposals; and

WHEREAS FURTHER, the Purchasing Department has reviewed the responses and has determined that the best price to the City, based price per volume of hay is contained in the proposal submitted by James Russell Stacy; and

WHEREAS FURTHER, the Purchasing Department has recommended to the City Council of the City of Natchitoches that James Russell Stacy be awarded the lease based upon his response, and that the attached lease agreement be approved; and

WHEREAS FURTHER, a lease has been prepared setting forth the term, conditions, and consideration for the proposed hay field lease;

WHEREAS FURTHER, under the provisions of Louisiana R. S. 33:4712, any property owned by the City can be leased to any person after due advertisement and compliance with the law;

WHEREAS FURTHER, the City Council is of the opinion that the hay field rights are not needed by the City for any public purpose, but are a potential source of revenue if leased;

NOW THEREFORE BE IT ORDAINED by the City Council of the City of Natchitoches, in legal session convened, that the recommendations of the Purchasing Department are hereby approved; and

BE IT FURTHER ORDAINED that Lee Posey, Mayor of the City of Natchitoches, be and he is hereby authorized and empowered to enter into a lease agreement with James Russell

Stacy, for hay field operations, all in substantial compliance with the lease agreement, a copy of which is attached hereto and approved by the Director of Purchasing.

BE IT FURTHER ORDAINED That notice of this proposed ordinance be published three (3) times in fifteen (15) days, one (1) week apart, in the Natchitoches Times, the legal journal for the City, and that ordinance be posted in the City Hall.

BE IT FURTHER ORDAINED that any opposition to this ordinance shall be made in writing, filed with the Clerk for the City of Natchitoches within fifteen (15) days after the first publication of this ordinance, and that a public hearing be held after the advertisements have been completed.

BE IT FURTHER ORDAINED that the City Clerk be authorized to advertise this proposed lease in accordance with law, i.e., three times in fifteen days, one week apart and to report to the City Council if any opposition is made in writing prior to the time of final adoption.

BE IT FURTHER ORDAINED that the City takes cognizance of the fact that the rights to the property described above is not needed for public purposes by the City.

THIS ORDINANCE was introduced on February 11, 2013 and published in the *Natchitoches Times* on February 16, 23, and March 2, 2013.

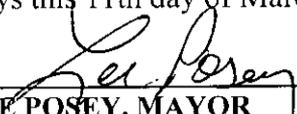
The above Ordinance having been duly advertised in accordance with law and public hearing had on same, was put to a vote by the Mayor and the vote was recorded as follows:

THIS ORDINANCE was introduced on February 11, 2013 and published in the *Natchitoches Times* on February 16, 23, and March 2, 2013.

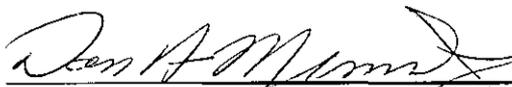
The above Ordinance having been duly advertised in accordance with law and public hearing had on same, was put to a vote by the Mayor and the vote was recorded as follows:

AYES: Stamey, Morrow, Payne, Nielsen, Mims
NAYS: None
ABSENT: None
ABSTAIN: None

THEREUPON, Mayor Lee Posey declared the Ordinance passed by a vote of 5 Ayes to 0 Nays this 11th day of March, 2013.



LEE POSEY, MAYOR



DON MIMS, MAYOR PRO TEMPORE

Delivered to the Mayor on the 12th day of March, 2013 at 10:00 A.M.

STATE OF LOUISIANA

PARISH OF NATCHITOCHEES

LEASE OF HAYFIELD

BE IT KNOW AND REMEMBERED that on the days indicated hereinafter, before the undersigned Notaries Public and subscribing witnesses, personally came and appeared:

City of Natchitoches, Louisiana, a municipal corporation, domiciled in the City and Parish of Natchitoches, Louisiana, with mailing address of Post Office Box 37, Natchitoches, Louisiana, 71458-0037, represented herein by Lee Posey, Mayor, pursuant to the authority set provided for under Ordinance Number **006** of 2013 (sometimes hereinafter referred to as "Lessor" or "City");

AND

James Russell Stacy, a resident of Natchitoches Parish, with mailing address of 2738 Highway 494, Natchitoches, Louisiana 71457 (sometimes hereinafter referred to as "Lessee" or "Stacy")

WITNESSETH:

1. DESCRIPTION OF PROPERTY

LESSOR hereby leases and lets unto LESSEE, under the terms and conditions hereinafter set forth, the property which is described as follows, to-wit:

A parcel of land located in the Natchitoches Industrial Park as shown on a plat of survey by Meyer, Meyer, LeCroix and Hixson and more particularly described s 25.0 acres, more or less, lying North of Industrial Drive, East of property of Atmos Energy, West of the UP Railroad and South of Town South Subdivision, the tract being more fully shown and highlighted on the attached Map.

2. TERM

The term of this lease shall commence on March 12, 2013, and terminate at midnight on December 31, 2014.

3. RENTAL

The rental for the leased premises shall be based on the number of hay bales produced on the leased premises under the following schedule:

\$6.25 per 5' X 5' bale.

The above amounts are to be paid per round hay bale produced. For the purposes of the lease, a round hay bale will be defined as a 5' X 5', bale. Payments will be made to the City of Natchitoches no later than 30 days after each cutting.

4. USE OF PREMISES

LESSOR and LESSEE agree as follows, to-wit:

a) During the term of the lease, the LESSEE will occupy and use the premises for cultivation of hay crops only, and he will not use the premises, or permit the premises to be used for any other purpose whatsoever.

b) LESSEE will not sub-lease, assign or relinquish the said premises without the written consent of the LESSOR.

c) That the cultivation of the hay crops and the maintenance of the pasture will be done in a good and husband-like manner and the LESSEE will faithfully and carefully guard and protect the said premises. LESSEE agrees that he will cut and keep and trim the leased premises during the lease.

d) LESSEE agrees that he will keep any improvements in as good repair as same now are or may at any time be placed in by the LESSOR.

e) LESSEE will, at all times, allow the LESSOR, its agent or its assignees, to have free access to the premises for the purpose of observing the pasture and hay field operations and the conduct of the LESSEE in caring for the hay crop and pasture improvements thereon.

f) LESSOR reserved the right to cancel this lease, at any time, if the property is needed for any public purpose or reason. In such event, LESSEE agrees to give possession of the said premises, subject to a prorata payment to LESSEE for any hay crop on the property.

g) Hay may be stored along the perimeter of the property in a manner that will not cause any interference with any City or City approved operations. All hay bales must be removed from the Airport grounds no later than December 31 of the year that the hay is baled, and any hay bales left on the property beyond the 31st of December will become property of the City of Natchitoches, and the City shall have the right to sale, use or dispose of said bales.

h) LESSEE shall not use the property in any manner or for any purpose that violates any rule or regulation as promulgated by the EPA or the DEQ.

5. WARRANTY

LESSOR warrants that it has the right to lease the property covered by this agreement and will defend LESSEE's possession against any and all person whomsoever.

6. INDEMNITY and INSURANCE

LESSEE shall occupy the leased premises at his own risk and shall indemnify LESSOR against any expense, loss, cost, damage, claim, action or liability paid, suffered or incurred as a result of any breach by LESSEE, his agents, servants, employees, customers, visitors or licensees or any covenant or condition of t his lease, or as a result of LESSEE's use or occupancy of the leased premises or the carelessness, negligence or improper conduct of LESSEE, his agents, servants, employees, customers, visitors or licensees. The LESSEE's liability under the lease extends to the acts of omission of any agent, servants, employee, customer, visitor or licensee of any such person. LESSEE declares this intention to assume all liability permissible under Louisiana R.S. 9:3221.

LESSEE must maintain a general liability insurance policy with minimum coverage of \$1,000,000.00, with the City of Natchitoches shown as an additional insured and LESSEE must provide proof of such insurance on an annual basis, or upon request of the City.

7. MINERALS

Anything herein to the contrary notwithstanding, it is specifically understood and agreed that LESSOR, its assigns, employees and minerals lessees, or its agents, employees, successors, or assigns, shall have full and complete right to conduct any and all geophysical or exploratory operations on said land, and to seek, search for, conduct operations for the drilling, or to assist in the location of oil, gas and other minerals on the said property and to produce, extract same, store and remove by pipe or any form of conveyance, any oil, gas and minerals produced thereon, and generally to do all things necessary and proper, in connection with the exploration or production of such oil, gas and other minerals. If such operations are conducted by any mineral lessee, its agents, employees, successors or assigns, LESSEE hereunder agrees to look to said mineral lease, etc. for recovery for any damages that may be caused by such operations.

8. OVERFLOW

The LESSOR shall not be responsible for flood or overflow.

9. TAXES

The LESSOR agrees to pay all property and ad valorem taxes during the term of the lease, if any.

10. DEFAULT

Should the LESSEE, at any time, violate any of the conditions of this lease, or discontinue use of the premises for the purpose for which they are rented, or fail to pay the rent timely, punctually at maturity, as stipulated, LESSOR shall have the option to immediately cancel this lease and to proceed for past due payments, reserving a right of proceed later for the remaining installments, all without putting LESSEE in default. LESSEE to remain responsible for all damages or losses suffered by LESSOR. LESSEE hereby assenting thereto and expressly waiving the legal notice to vacate the premises. In the event that it is necessary to employ an attorney for collection of past due rent, or to sue for the termination and cancellation of this lease, then, in that event, the parties hereby agree and stipulate that the LESSEE shall be responsible for the payment of reasonable attorney's fees in connection therewith, which shall not exceed ten (10) percent of the amount sued for, plus all costs of the suit.

11. SUCCESSION

This lease shall inure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators, successors and assigns.

12. CONDITION ON SURRENDER

LESSEE agrees that it will peacefully surrender the leased premises at the end of the term hereby granted in the same good order as the premises are at the commencement thereof.

STATE OF LOUISIANA

PARISH OF NATCHITOCHES

THUS DONE AND PASSED before me, the undersigned Notary Public and subscribing witnesses on this the 21st day of March, 2013, at Natchitoches, Louisiana.

WITNESSES:

Stacy McClureaux
Hannah Wemmige

CITY OF NATCHITOCHES

Lee Posey
By: Mayor Lee Posey

WITNESSES:

James Russell Stacy
Lee Cooper

James Russell Stacy
By: James Russell Stacy

Edd R. Lee

NOTARY PUBLIC

Print Name Edd R. Lee

Notary # 15749



The following Ordinance was Introduced by Ms. Morrow and Seconded by Mr. Stamey as follows, to-wit:

ORDINANCE NO. 007 OF 2013

AN ORDINANCE AUTHORIZING THE MAYOR OF THE CITY OF NATCHITOCHE, LOUISIANA, TO ENTER INTO A COOPERATIVE ENDEAVOR AGREEMENT WITH THE HISTORIC DISTRICT BUSINESS ASSOCIATION INC. WHICH SAID AGREEMENT WILL SET FORTH THE DUTIES AND RESPONSIBILITIES OF EACH PARTY FOR 2013 FESTIVAL OF LIGHTS, PROVIDING FOR AN AUTOMATIC ANNUAL RENEWAL, PROVIDING FOR ADVERTISING, FURTHER PROVIDING FOR SEVERABILITY, AND FURTHER PROVIDING FOR A REPEALER AND EFFECTIVE DATE OF ORDINANCE.

WHEREAS, the City of Natchitoches (sometimes hereinafter referred to as the "City") is a Municipality located in the State of Louisiana, Parish of Natchitoches governed under a Home Rule Charter and a Code of Ordinances adopted by Ordinance No. 5 of 1977; and

WHEREAS FURTHER, the City of Natchitoches is specifically authorized under Section 1.06 of the Charter of the City of Natchitoches to provide for the general welfare, safety, health, peace and good order of the City, and further authorized under Section 1.07 of the Charter of the City of Natchitoches to enter into Joint Service Agreements or Cooperative Efforts with other governmental agencies; and

WHEREAS FURTHER, the Historic District Business Association, Inc. (sometimes hereinafter "HDBA") is a non-profit Louisiana corporation which undertook the coordination and presentation of the 2012 Festival of Lights celebration in Natchitoches, Louisiana, assuming the role that the Natchitoches Chamber of Commerce has played in the past; and

WHEREAS FURTHER, both the City and the HDBA were pleased with the arrangement for the 2012 Festival and desire to extend the relationship for additional years; and

WHEREAS FURTHER, the Festival of Lights has grown to include events and presentations that occur over a 50 day period, beginning in November and continuing through early January; and

WHEREAS FURTHER, the City Council of the City of Natchitoches acknowledges that the Festival of Lights, which includes the Christmas Festival, is the single best known annual event that occurs in the City, and is very important to the City of Natchitoches and its citizens due to it's the economic impact that it has on the City; and

WHEREAS FURTHER, the HDBA has agreed to and will assume the role of planning, organizing and putting on the 2013 Festival of Lights, but is unable to assume this role without assistance of the City; and

WHEREAS FURTHER, the HDBA and the City have divided the duties and responsibilities that are required to organize and put on the 2013 Festival of Lights, and desire to memorialize, in writing, the duties and responsibilities between the City and the HDBA; and

WHEREAS FURTHER, the City Council of the City of Natchitoches recognizes that neither the City nor the HDBA could undertake the Festival of Lights individually and that cooperation and division of labor is necessary to continue to offer a quality festival; and

WHEREAS FURTHER, the City and the HDBA have agreed to enter into a Cooperative Endeavor Agreement (sometimes hereinafter "CEA") under which the City and HDBA will each assume certain duties and responsibilities; and

WHEREAS FURTHER, under the CEA, the City will be responsible for the following:

- 1) providing police protection, including the additional personnel that is required for the Christmas Festival;
- 2) providing fire protection and safety, including the additional personnel that is required for the Christmas Festival and specifically providing inspections of vendor's booths for compliance with Fire Prevention and Life Safety Code, providing fire protection during fireworks displays, inspecting fireworks displays and insuring compliance with Fire Code during fireworks displays.
- 3) providing electrical service for all light displays, music equipment and other electronic devices that are utilized in the Festival of Lights;
- 4) erecting, installing stringing light displays in the downtown area, as well as the storage of all light displays;
- 5) providing sanitation services, including garbage pickup, debris pickup and providing port-o-potties on the riverbank for the duration of the Festival of Lights; and
- 6) setting up barricades, and providing and placing ticket booths as needed.

WHEREAS FURTHER, under the CEA, the HDBA will be responsible for the following:

- 1) arranging and paying for fireworks displays during the Festival of Lights;
- 2) providing music and/ or light shows associated with fireworks displays;
- 3) arranging and compensating musical performers during the Festival of Lights;
- 4) arranging and coordinating Christmas Festival parades;
- 5) providing additional port-a-potties for Christmas Festival weekend;
- 6) man admission ticket booths during the Festival of Lights;
- 7) provide additional amusements during Festival of Lights, including but not limited to "Snow Hill" and develop an agreement with the operators of any such amusements (to be approved by the City) that requires said operators to provide proof of insurance with limits of at least \$1,000,000.00 per incident and naming the City as additional insured;
- 8) take out an Event Insurance policy for the Festival of Lights which policy shall cover that time period beginning with the opening ceremony and ending on the last day that the Christmas lights are on, which policy shall provide coverage for the "gated area", being that area that has controlled access and requires payment of an entry fee, and coverage for any incident loss or claim related to the parade(s), including coverage for parade participants, or the fireworks displays;
- 9) provide an Event Insurance policy for any other time period where an admission fee is charged for access to the riverbank area by the HDBA, said policy to provide coverage for the "gated area", being that area that has controlled access and requires payment of an entry fee;
- 10) arrange for food vendors, craft vendor, and other vendors and develop an agreement with any such vendors (to be approved by the City) that requires said vendors to provide proof of insurance and naming the City as additional insured; and
- 11) HDBA shall be responsible for insuring that all food vendors, craft vendors and operators of amusements adhere to the agreements referenced in paragraphs 7 and 10 and insuring that proof of insurance is provided, and the HDBA shall have the authority to remove any non-compliant vendors.

WHEREAS FURTHER, the City and the HDBA agree and acknowledge that the HDBA will charge an admission to certain events and activities during the Festival of Lights and may collect fees for vendor booth rentals, and that the funds collected will be used to defray the expenses incurred by the HDBA in meeting its obligations under this CEA; and

WHEREAS FURTHER, the HDBA agrees to provide the City with an annual budget reflecting the receipts and expenditures associated with the Festival of Lights, which said budget shall have reserve account to allow the HDBA to plan for the following year; and

WHEREAS FURTHER, the HDBA agrees to pay to the City the sum of \$25,000.00 as a base fee for the services provided by the City, and the parties further agree that any net profit over the sum of \$10,000.00 shall be divided among the HDBA and the City, one-half each; and

WHEREAS FURTHER, for the purposes of this CEA, net profit shall mean the total of all receipts, including, but not limited to admission fees, booth rentals to vendors, and other ticket sales collected by the HDBA, less all expenses of the HDBA related to the Festival of Lights; and

WHEREAS FURTHER, the CEA further provides for an automatic annual extension provided that neither party notifies the other, in writing, of its intention to terminate the agreement within thirty days of the date that the Christmas lights display is turned off; and

WHEREAS FURTHER, the HDBA shall require any and all vendors or any entity that provides entertainment, including but not limited to food vendors, craft vendors, any company offer firework displays, owner of equipment of "Snow Hill" or any other company offering entertainment to provide proof of insurance naming the City as an additional insured; and

WHEREAS FURTHER, the City Council of the City of Natchitoches has reviewed the attached Cooperative Endeavor Agreement and has approved the terms of same; and

WHEREAS FURTHER, under the general law and the Home Rule Charter of the City of Natchitoches, the City has the right, power, and authority to promote, protect, and preserve the general welfare, safety, health, peace and good order of the City; and

WHEREAS FURTHER, the City Council of the City of Natchitoches is of the opinion that the CEA with the HDBA will promote the health, safety and welfare of the citizens of the City and Parish of Natchitoches, Louisiana; and

NOW THEREFORE BE IT ORDAINED by the City Council of the City of Natchitoches, Louisiana, that the Mayor of the City of Natchitoches, Lee Posey is hereby authorized to execute the attached Cooperative Endeavor Agreement with the Historic District Business Association, Inc.

BE IT FURTHER ORDAINED that the terms of the Cooperative Endeavor Agreement, attached hereto, are approved and accepted by the City Council of the City of Natchitoches, Louisiana.

THIS ORDINANCE was introduced on February 25, 2013 and published in the *Natchitoches Times* on March 2, 2013.

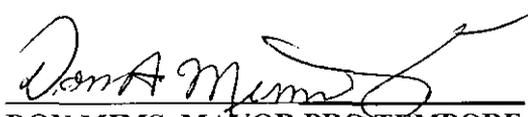
The above Ordinance having been duly advertised in accordance with law and public hearing had on same, was put to a vote by the Mayor and the vote was recorded as follows:

AYES:	Stamey, Morrow, Payne, Nielsen, Mims
NAYS:	None
ABSENT:	None
ABSTAIN:	None

THEREUPON, Mayor Lee Posey declared the Ordinance passed by a vote of 5 Ayes to 0
Nays this 11th day of March, 2013.



LEE POSEY, MAYOR



DON MIMS, MAYOR PRO TEMPORE

Delivered to the Mayor on the 12th day of March, 2013 at 10:00 A.M.

STATE OF LOUISIANA

PARISH OF NATCHITOCHEs

COOPERATIVE ENDEAVOR AGREEMENT

WHEREAS, the City of Natchitoches (sometimes hereinafter referred to as the "City") is a Municipality located in the State of Louisiana, Parish of Natchitoches governed under a Home Rule Charter and a Code of Ordinances adopted by Ordinance No. 5 of 1977; and

WHEREAS FURTHER, the City of Natchitoches is specifically authorized under Section 1.06 of the Charter of the City of Natchitoches to provide for the general welfare, safety, health, peace and good order of the City, and further authorized under Section 1.07 of the Charter of the City of Natchitoches to enter into Joint Service Agreements or Cooperative Efforts with other governmental agencies; and

WHEREAS FURTHER, the Historic District Business Association, Inc. (sometimes hereinafter referred to as "HDBA") is a Louisiana not for profit corporation and has been designated as a 501C-6 entity by the IRS; and

WHEREAS FURTHER, the HDBA has an interest in promoting tourism in the Historic District and to that end the HDBA entered into a Cooperative Endeavor Agreement with the City of Natchitoches to coordinate and present the 2012 Festival of Lights celebration in Natchitoches, Louisiana, assuming the role that the Natchitoches Chamber of Commerce has played in the past; and

WHEREAS FURTHER, both the City and the HDBA were pleased with the arrangement for the 2012 Festival and desire to extend the relationship for additional years; and

WHEREAS FURTHER, the Festival of Lights has grown to include events and presentations that occur over a 50 day period, beginning in November and continuing through early January; and

WHEREAS FURTHER, the City Council of the City of Natchitoches acknowledges that the Festival of Lights, which includes the Christmas Festival, is the single best known event that occurs in the City on an annual basis and is very important to the City of Natchitoches and its citizens due to its economic impact; and

WHEREAS FURTHER, the HDBA has agreed to and will assume the role of planning, organizing and putting on the 2013 Festival of Lights, but is unable to assume this role without assistance of the City; and

WHEREAS FURTHER, the HDBA and the City have divided the duties and responsibilities that are required to organize and put on the 2013 Festival of Lights, and desire to memorialize, in writing, the duties and responsibilities between the City and the HDBA; and

WHEREAS FURTHER, the City Council of the City of Natchitoches recognizes that neither the City nor the HDBA could undertake the Festival of Lights individually and that cooperation and division of labor is necessary to continue to offer a quality festival; and

WHEREAS FURTHER, the City and the HDBA have agreed to enter into a Cooperative Endeavor Agreement (sometimes hereinafter "CEA") under which the City and HDBA will each assume certain duties and responsibilities; and

WHEREAS FURTHER, under the CEA, the City will be responsible for the following:

1) providing police protection, including the additional personnel that is required for the Christmas Festival;

2) providing fire protection and safety, including the additional personnel that is required for the Christmas Festival and specifically providing inspections of vendor's booths for compliance with Fire Prevention and Life Safety Code, providing fire protection during fireworks displays, inspecting fireworks displays and insuring compliance with Fire Code during fireworks displays.

3) providing electrical service for all light displays, music equipment and other electronic devices that are utilized in the Festival of Lights;

4) erecting, installing stringing light displays in the downtown area, as well as the storage of all light displays;

5) providing sanitation services, including garbage pickup, debris pickup and providing port-o-potties on the riverbank for the duration of the Festival of Lights; and

6) setting up barricades, and providing and placing ticket booths as needed.

WHEREAS FURTHER, under the CEA, the HDBA will be responsible for the following:

1) arranging and paying for fireworks displays during the Festival of Lights;

2) providing music and/ or light shows associated with fireworks displays;

3) arranging and compensating musical performers during the Festival of Lights;

4) arranging and coordinating Christmas Festival parades;

5) providing additional port-a-potties for Christmas Festival weekend;

6) man admission ticket booths during the Festival of Lights;

7) provide additional amusements during Festival of Lights, including but not limited to "Snow Hill" and develop an agreement with the operators of any such amusements (to be approved by the City) that requires said operators to provide proof of insurance with limits of at least \$1,000,000.00 per incident and naming the City as additional insured;

8) take out an Event Insurance policy for the Festival of Lights which policy shall cover that time period beginning with the opening ceremony and ending on the last day that the Christmas lights are on, which policy shall provide coverage for the "gated area", being that area that has controlled access and requires payment of an entry fee, and coverage for any incident loss or claim related to the parade(s), including coverage for parade participants, or the fireworks displays;

9) provide an Event Insurance policy for any other time period where an admission fee is charged for access to the riverbank area by the HDBA, said policy to provide coverage for the "gated area", being that area that has controlled access and requires payment of an entry fee;

10) arrange for food vendors, craft vendor, and other vendors and develop an agreement with any such vendors (to be approved by the City) that requires said vendors to provide proof of insurance and naming the City as additional insured; and

11) HDBA shall be responsible for insuring that all food vendors, craft vendors and operators of amusements adhere to the agreements referenced in paragraphs 7 and 10 and insuring that proof of insurance is provided, and the HDBA shall have the authority to remove any non-compliant vendors.

WHEREAS FURTHER, the City and the HDBA agree and acknowledge that the HDBA will charge an admission to certain events and activities during the Festival of Lights and may collect fees for vendor booth rentals, and that the funds collected will be used to defray the expenses incurred by the HDBA in meeting its obligations under this CEA; and

WHEREAS FURTHER, the HDBA agrees to provide the City with an annual budget reflecting the receipts and expenditures associated with the Festival of Lights, which said budget shall have reserve account to allow the HDBA to plan for the following year; and

WHEREAS FURTHER, the HDBA shall require any and all vendors or any entity that provides entertainment, including but not limited to food vendors, craft vendors, any company offer firework displays, owner of equipment of "Snow Hill" or any other company offering

entertainment to provide proof of insurance naming the City as an additional insured; and

WHEREAS FURTHER, under the general law and the Home Rule Charter of the City of Natchitoches, the City has the right, power, and authority to promote, protect, and preserve the general welfare, safety, health, peace and good order of the City; and

WHEREAS FURTHER, the City Council of the City of Natchitoches is of the opinion that the CEA with the HDBA will promote the health, safety and welfare of the citizens of the City and Parish of Natchitoches, Louisiana; and

WHEREAS FURTHER, the HDBA is authorized to enter into this agreement as evidenced by the attached corporate resolution; and

WHEREAS FURTHER, the HDBA is of the opinion that its assistance with the planning, promotion and organization of the Festival of Lights will benefit the businesses located in the Historic District and will further benefit the business community of the City of Natchitoches, in general; and

WHEREAS FURTHER, the City and the HDBA desire to include an automatic annual extension provided that neither party notifies the other, in writing, of its intention to terminate the agreement within thirty days of the date that the Christmas lights display is turned off; and

WHEREAS FURTHER, the City and the Authority desire to enter into a Cooperative Agreement under which the entities will divide responsibilities and for a successful Festival of Lights; and

NOW THEREFORE, the City of Natchitoches, Louisiana, a municipal corporation, represented herein by Honorable Lee Posey, Mayor, duly authorized to act herein pursuant to Ordinance Number 007 of 2013, and the Historic District Business Association, Inc., represented herein by Phyllis Stroud, duly authorized to act herein pursuant to the attached resolution, do hereby enter into the following agreement:

(1) City and HDBA agree to cooperate and divide duties and responsibilities for the 2013 Festival of Lights.

(2) The City will be responsible for the following:

- a) providing police protection, including the additional personnel that is required for the Christmas Festival;
- b) providing fire protection and safety, including the additional personnel that is required for the Christmas Festival and specifically providing inspections of vendor's booths for compliance with Fire Prevention and Life Safety Code, providing fire protection during fireworks displays, inspecting fireworks displays and insuring compliance with Fire Code during fireworks displays.
- c) providing electrical service for all light displays, music equipment and other electronic devices that are utilized in the Festival of Lights;
- d) erecting, installing stringing light displays in the downtown area, as well as the storage of all light displays;
- e) providing sanitation services, including garbage pickup, debris pickup and providing port-o-potties on the riverbank for the duration of the Festival of Lights; and
- f) setting up barricades, and providing and placing ticket booths as needed.

(3) The HDBA will be responsible for the following:

- a) arranging and paying for fireworks displays during the Festival of Lights;
- b) providing music and/ or light shows associated with fireworks displays;
- c) arranging and compensating musical performers during the Festival of Lights;
- d) arranging and coordinating Christmas Festival parades;
- e) providing additional port-a-potties for Christmas Festival weekend;
- f) man admission ticket booths during the Festival of Lights;
- g) provide additional amusements during Festival of Lights, including but not limited to "Snow Hill" and develop an agreement with the operators of any such amusements (to be approved by the City) that requires said operators to provide proof of insurance with limits of at least \$1,000,000.00 per incident and naming the City as additional insured;
- h) take out an Event Insurance policy for the Festival of Lights which policy shall cover that time period beginning with the opening ceremony and ending on the last day that the Christmas lights are on, which policy shall provide coverage for the "gated area", being that area that has controlled access and requires payment of an entry fee, and coverage for any incident loss or claim related to the parade(s), including coverage for parade participants, or the fireworks displays;
- i) provide an Event Insurance policy for any other time period where an admission fee is charged for access to the riverbank area by the HDBA, said policy to provide coverage for the "gated area", being that area that has controlled access and requires payment of an entry fee;
- j) arrange for food vendors, craft vendor, and other vendors and develop an agreement with any such vendors (to be approved by the City) that requires said vendors to provide proof of insurance and naming the City as additional insured; and
- k) HDBA shall be responsible for insuring that all food vendors, craft vendors and operators of amusements adhere to the agreements referenced in paragraphs 7 and 10 and insuring that proof of insurance is provided, and the HDBA shall have the authority to remove any non-compliant vendors.

(4) The City and the HDBA agree and acknowledge that the HDBA will charge an admission to certain events and activities during the Festival of Lights and may collect fees for vendor booth rentals, and that the funds collected will be used to defray the expenses incurred by the HDBA in meeting its obligations under this CEA.

(5) The HDBA agrees to provide the City with an annual budget reflecting the receipts and expenditures associated with the Festival of Lights, which said budget shall have reserve account to allow the HDBA to plan for the following year; and

(6) The HDBA agrees to pay to the City the sum of \$25,000.00 as a base fee for the services provided by the City, and the parties further agree that any net profit over the sum of \$10,000.00 shall be divided among the HDBA and the City, one-half each (for the purposes of this CEA, net profit shall mean the total of all receipts, including, but not limited to admission fees, booth rentals to vendors, and other ticket sales collected by the HDBA, less all expenses of the HDBA related to the Festival of Lights).

(7) The City will be responsible for carrying general liability insurance. Specifically, the City will maintain and agrees to carry a general liability insurance policy, including, but not limited to, coverage for injuries, death or loss of property, with minimum coverage of \$1,000,000.00, and the City will cause the NHF to be named as an additional insured on that policy of insurance

of insurance

(8) This Agreement will be automatically extended on an annual basis provided that neither party notifies the other, in writing, of its intention to terminate the agreement within thirty days of the date that the Christmas lights display is turned off.

(9) It is understood and agreed that this is a contract, for services, and the employees, agents, representatives, and all other persons connected with the HDBA shall not be considered to be employees of the City of Natchitoches, in any respect.

THUS DONE AND PASSED before the parties before the undersigned Notary Public and subscribing witnesses, at Natchitoches, Louisiana, on this the 28 day of March, 2013.

ATTEST:

Stacy McCreary

CITY OF NATCHITOCHEs, LOUISIANA

Lee Posey
by: Mayor Lee Posey

HISTORIC DISTRICT BUSINESS ASSOCIATION, INC.

Samah Weung

Shyllis K Stroud
by:

Randall S. LaCaze
NOTARY PUBLIC

Print Name Randall S. LaCaze

Notary # 15730

The following Ordinance was Introduced by Mr. Payne and Seconded by Mr. Nielsen as follows, to-wit:

ORDINANCE NUMBER 008 OF 2013

AN ORDINANCE TO AMEND SUB-SECTION 10-74(f), WHICH SECTION IS ENTITLED "FIREWORKS", AND TO ADOPT SECTION 10-74.1, ENTITLED "FIREWORKS, USE OR DISCHARGE", WHICH SECTIONS ARE LOCATED IN THE CRIMINAL CODE, CHAPTER 10 OF THE CODE OF ORDINANCES, SAID SECTIONS BEING AMENDED AND ADOPTED TO MAKE IT ILLEGAL TO OFFER FOR SALE, USE OR DISCHARGE FIREWORKS OUTSIDE OF PERMITTED TIME PERIOD IN THE CITY OF NATCHITOCHEs, PROVIDING FOR ADVERTISING, FURTHER PROVIDING FOR SEVERABILITY, AND FURTHER PROVIDING FOR A REPEALER AND EFFECTIVE DATE OF ORDINANCE.

WHEREAS, the Criminal Code of the City of Natchitoches includes Section 10-74, which provides regulations for fireworks; and

WHEREAS FURTHER, Section 10-74 of the Code of Ordinances limits the sale of fireworks to those time periods running from June 25 through July 5 and December 15 through January 1 of each year, but does not provide times of operation; and

WHEREAS FURTHER, due to concerns over safety and fire hazards, the Chief of Police and the Chief of the Natchitoches Fire Department have recommended that the City place limitations on the time period within which fireworks may be used; and

WHEREAS FURTHER, year round use of fireworks increases the chance of fires, and the number of responses by the Fire Department may lead to a reduction in the capability of the Fire Department creating a condition that raises safety concerns for citizens and Fire Department personnel, and further creates a greater risk of property damage; and

WHEREAS FURTHER, the number of fire calls also stretches the resources of the Fire Department as it has to devote personnel and equipment to respond to these calls; and

WHEREAS FURTHER, likewise, year round use of fireworks increases the chance of injury and injury related emergencies, and the number of responses by the Police Department and other emergency responders may lead to a reduction in the capability of the Police Department and

other emergency responders creating a condition that raises safety concerns for citizens and emergency responder personnel, and further creates a greater response time for emergency responders; and

WHEREAS FURTHER, pursuant to Louisiana Revised Statute 51:660, the City of Natchitoches has the authority to "... regulate or prohibit the sale, use or possession of pyrotechnic commonly known as fireworks in conformity with the provisions of this Part."; and

WHEREAS FURTHER, the Fire Chief, Dennie Boyt, and Chief of Police, Mickey Dove, have reviewed the situation and have recommended that the City of Natchitoches amend the Code of Ordinances to adopt Section 10-74.1, in order to limit the time period in which fireworks may be used; and

WHEREAS FURTHER, the Fire Chief, Dennie Boyt, and Chief of Police, Mickey Dove, further recommend that the new ordinance include a provision that restricts the use of fireworks during certain hours of the night and early morning; and

WHEREAS FURTHER, the Fire Chief, Dennie Boyt, and Chief of Police, Mickey Dove, have further recommended that the City of Natchitoches amend Section 10-74(f) of the Code of Ordinances to limit the sell of fireworks to those time periods within which fireworks may be used; and

WHEREAS FURTHER, the City Council of the City of Natchitoches has reviewed the proposed changes and agrees that the adoption is advisable and in the best interest of the City of Natchitoches and its citizens; and

WHEREAS FURTHER, the City Council of the City of Natchitoches, Louisiana, desires to amend the Code of Ordinances of the City of Natchitoches in order to amend Section 10-74(f) and to enact Section 10-74.1, as approved and recommended by the Fire Chief of the City of Natchitoches and the Chief of Police of the City of Natchitoches; and

NOW THEREFORE BE IT ORDAINED by the City Council of the City of Natchitoches, Louisiana, as follows:

SECTION 1. Subsection (f) of Section 10-74 of the Code of Ordinances of the City of Natchitoches is hereby amended and re-enacted to read as follows:

(f) Permissible items of fireworks, enumerated in Louisiana Revised Statute

51:651 may be sold at retail from June 25 through July 5 and December 15 through January 1 of each year only, except the term "fireworks" shall not include toy pistols, toy canes, toy guns or other devices in which paper caps containing 25/100ths grains or less of explosive compounds are used, provided that they are so constructed that the hand cannot come in contact with the cap when in place for exploding, and toy paper pistol caps which contain less than 25/100ths grains of explosive compounds, and the sale and use of which shall be permitted at all times.

Fireworks may be sold at retail on the dates set forth in the preceding paragraph from 8 a.m. to 9 p.m. on weekdays and from 8 a.m. to 10 p.m. on weekends, but may be sold from 8 a.m. the morning of July 4 and December 31 until midnight. It shall be unlawful for any person to sale fireworks at any time other than the times provided for herein."

SECTION 2. The Code of Ordinances of the City of Natchitoches is hereby amended to enact and adopt Section 10-74.1 which shall read as follows:

"Sec. 10-74.1 Ban of use of fireworks during certain time period and for certain hours.

- (a) Fireworks, being those that are permissible fireworks enumerated under Louisiana Revised Statutes 51:651, may be used from June 25 through July 10 and from December 15 through January 6. It shall be unlawful for any person to use fireworks at any time other than the above enumerated dates.
- (b) Fireworks, being those that are permissible fireworks enumerated under Louisiana Revised Statutes 51:651, may be used on the above enumerated dates from 8 a.m. to 9 p.m. on weekdays and from 8 a.m. to 10 p.m. on weekends, but may be used from 8 a.m. the morning of July 4 and December 31 until 1 a.m. the following day, being July 5 and January 1, respectively. It shall be unlawful for any person to use fireworks at any time other than the above enumerated times.
- (c) Nothing herein shall limit the ability of the proper authorities to ban the use of fireworks during a burn ban as set forth in Section 10-74 (j).
- (d) Exceptions. Nothing contained in this section 10-74 shall be held to apply to the following:
 - (1) Use of signaling devices for current daily consumption by railroads, trucks or vessels requiring them;
 - (2) Pyrotechnic displays of fireworks in public parks, or other open places, where a permit for such display has been issued by the chief of the fire department and, where further, proper permit has been secured from the state fire marshal under Louisiana Revised Statute 51:655;
 - (3) The use of normal stacks of flashlight compositions by photographers or dealers in photographic supplies;
 - (4) The use of blank cartridges for ceremonial, theatrical or athletic events.
 - (5) The use of toy pistols, toy canes, toy guns or other devices in which paper caps containing 25/100ths grains or less of explosive compounds are used, provided that they are so constructed that the hand cannot come in contact with the cap when in place for exploding, and toy paper pistol caps which contain less than 25/100ths grains of explosive compounds.
- (e) Penalties. Whoever violates the provisions of this section or any part thereof shall be punished as follows:
 - (1) For a first offence within a period of twelve months there shall be a fine of \$50.00

(2) For the second and subsequent offences within a twelve month period the penalty shall be as provided for in section 10-78 of this chapter.”

SECTION 2. All Ordinances or parts of Ordinances in conflict herewith are hereby repealed.

SECTION 3. If any portion of this Ordinance is declared to be invalid or unconstitutional in any manner, the invalidity shall be limited to that particular section or provision, and shall not affect the remaining portions of the ordinance, which shall remain valid and enforceable, it being the intention of the City Council that each separate provision shall be deemed independent of all other provisions herein.

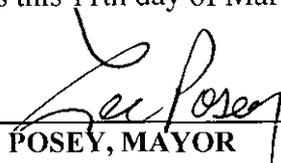
SECTION 4. This Ordinance shall go into effect upon publication and in accordance with law.

THIS ORDINANCE was introduced on February 25, 2013 and published in the *Natchitoches Times* on March 2, 2013.

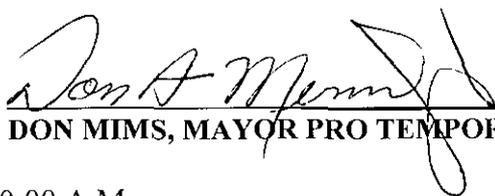
The above Ordinance having been duly advertised in accordance with law and public hearing had on same, was put to a vote by the Mayor and the vote was recorded as follows:

AYES: Stamey, Morrow, Payne, Nielsen, Mims
NAYS: None
ABSENT: None
ABSTAIN: None

THEREUPON, Mayor Lee Posey declared the Ordinance passed by a vote of 5 Ayes to 0 Nays this 11th day of March, 2013.



LEE POSEY, MAYOR



DON MIMS, MAYOR PRO TEMPORE

Delivered to the Mayor on the 12th day of March, 2013 at 10:00 A.M.

The following Resolution was introduced by Mr. Nielsen and Seconded by Mr. Payne as follows, to -wit:

RESOLUTION NO. 011 OF 2013

A RESOLUTION GIVING NOTICE OF INTENTION OF THE CITY OF NATCHITOCHEs, STATE OF LOUISIANA (THE "CITY"), TO ENTER INTO A POWER SALES CONTRACT BY AND BETWEEN THE CITY AND THE LOUISIANA ENERGY AND POWER AUTHORITY RELATIVE TO A SOURCE OF ELECTRIC ENERGY AND POWER FOR THE CITY'S ELECTRIC SYSTEM, ORDERING A PUBLIC HEARING IN CONNECTION THEREWITH, PROVIDING FOR THE PUBLICATION OF SUCH POWER SALES CONTRACT AND NOTICE OF THE PUBLIC HEARING AS REQUIRED BY LAW AND PROVIDING FOR OTHER MATTERS INCIDENTAL OR NECESSARY RELATIVE TO THE FOREGOING.

WHEREAS, the City of Natchitoches, State of Louisiana (the "City") owns and operates its own electric transmission and distribution system, and its governing authority has found and determined after lengthy studies that an additional source of electric energy and power is required for said system in order to serve the best interests of the City, its electric consumers and citizens; and

WHEREAS, a reliable and efficient source of electric power and energy would benefit the City and the electric customers of its utilities system; and

WHEREAS, Louisiana Energy and Power Authority ("LEPA") has determined that it will construct and acquire a new combined cycle gas turbine electric generating plant (the "Project") for the purpose of providing electric power and energy to those member cities of LEPA that participate in the financing of the Project; and

WHEREAS, recently available technology permits increased efficiency in the generation of electric power; and

WHEREAS, the present cost and anticipated future cost of natural gas will contribute to the economic operation of the Project; and

WHEREAS, this governing authority has determined that, upon completion of the Project, the City can obtain a desirable and advantageous power supply from LEPA under the terms of a Power Sales Contract, hereinafter described, and now desires to give notice of its intention to enter into such Power Sales Contract, and after holding a public hearing and taking such other actions as may be required by law, to authorize the execution and delivery of said Power Sales Contract as herein provided; and

WHEREAS, a continuation of the current interest rate environment will further contribute to the feasibility of the Project; and

WHEREAS, in order to facilitate the planning of the financing, acquisition and construction of the Project, it is necessary that the cities wishing to participate in the Project declare their intention to do so;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Natchitoches, State of Louisiana (the "Governing Authority"), acting as the governing authority of said City:

SECTION 1. That in compliance with and under the authority granted by Chapter 10-A of Title 33 of the Louisiana Revised Statutes of 1950 (the "Act"), this governing authority hereby gives notice of its intention to enter into a Power Sales Contract for and on behalf of said City with LEPA substantially in the form and content attached hereto as Exhibit A and made a part of this resolution.

SECTION 2. That the Mayor be and he is hereby authorized and directed to publish a notice of intention to enter into said Power Sales Contract once a week for four (4) consecutive weeks as required by law (with the first publication being at least thirty (30) days before the public meeting described below) in the *Natchitoches Times*, Natchitoches, Louisiana, the official journal of said City and a newspaper of general circulation published therein, said notice of intention to be substantially in the form attached hereto as Exhibit B.

SECTION 3. That this governing authority shall meet in open and public session at its regular meeting place, the Natchitoches Art Center, 716 Second Street, Natchitoches, Louisiana, on May 13, 2013, at five-thirty o'clock (5:30) p.m. to hold a public hearing relative to the proposed Power Sales Contract, to receive any petitions and to hear any objections to said Power Sales Contract, as provided for in said notice of intention. If at such hearing a petition duly signed by electors of said City in a number not less than five percent (5%) of the electors voting in the last special or general election shall be filed objecting to the proposed Power Sales Contract, then said Power Sales Contract shall not be executed or delivered by or on behalf of said City until approved by a majority vote of the qualified electors of said City who vote at a special election held for this purpose in the manner generally provided by Chapter 6-A of Title 18 of the Louisiana Revised Statutes of 1950. In the event no such petition is filed at said public hearing, it is the intention of this governing authority to proceed on that date or at some future duly convened meeting to (i) formally approve and authorize the execution and delivery of the Power Sales Contract substantially in the form attached hereto as Exhibit A, (ii) determine the amount (not exceeding sixty-four (64) megawatts) of power and energy to be obtained pursuant to said Power Sales Contract and (iii) approve such other documents as may be appropriate to implement said Power Sales Contract, including by not limited to, the LEPA Power Project Revenue Bonds (LEPA Unit No. 1) Resolution.

SECTION 4. That this resolution, including the Exhibits attached hereto, having been reduced to writing and having been presented to this governing authority, shall be published as soon as possible one time in the aforementioned official journal of the City not less than thirty (30) days before the date of the public hearing herein ordered and provided for.

SECTION 5. That it is the intention of this resolution to comply with all of the procedural and legal requirements of the Act so as to authorize said Power Sales Contract as a valid and legally binding obligation of said City enforceable in accordance with its terms.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK.]

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

YEAS: Stamey, Morrow, Payne, Nielsen, Mims
NAYS: None
ABSENT: None
ABSTAIN: None

And the resolution was adopted on this, the 11th day of March, 2013.


Clerk


Mayor

EXHIBIT B

FORM OF NOTICE OF INTENTION

NOTICE OF INTENTION OF THE CITY OF NATCHITOCHEs, STATE OF LOUISIANA, TO ENTER INTO A POWER SALES CONTRACT BY AND BETWEEN SAID CITY AND THE LOUISIANA ENERGY AND POWER AUTHORITY RELATIVE TO A SOURCE OF ELECTRIC ENERGY AND POWER FOR THE CITY'S ELECTRIC TRANSMISSION AND DISTRIBUTION SYSTEM AND PROVIDING FOR A PUBLIC HEARING IN CONNECTION THEREWITH.

NOTICE IS HEREBY GIVEN pursuant to the provisions of Chapter 10-A of Title 33 of the Louisiana Revised Statutes of 1950, and a resolution adopted by the City Council of the City of Natchitoches, State of Louisiana (the "Governing Authority") of the City of Natchitoches, State of Louisiana (the "City"), acting as the governing authority of said City, on March 11, 2013, that said Governing Authority hereby give notice of their intention to enter into a Power Sales Contract for and on behalf of said City with the Louisiana Energy and Power Authority ("LEPA") substantially in the form and content set forth in Exhibit A attached to said resolution of March 11, 2013, said resolution and Power Sales Contract having been published in their entirety in the *Natchitoches Times*, Natchitoches, Louisiana, the official Journal of said City, on March 21, 2013. Said Power Sales Contract provides a source of electric energy and power for the future operation of the City's electric transmission and distribution system. Pursuant to the public hearing as herein provided, the Governing Authority of said City will be entitled to enter into a Power Sales Contract to obtain not exceeding sixty-four (64) megawatts of power and energy (or such lesser amount as said governing authority shall determine after said public hearing) from Louisiana Energy and Power Authority's gas-fixed power station termed "LEPA Unit No. 1" and located in St. Mary Parish, in Morgan City, Louisiana, and the amount to be purchased by said City shall be specified in said Power Sales Contract as a percentage of the LEPA's capacity and energy entitlement under said Agreement.

NOTICE IS HEREBY FURTHER GIVEN that this Governing Authority will meet in open and public session at its regular meeting place, Natchitoches Art Center, 716 Second Street, Natchitoches, Louisiana, on Monday, May 13, 2013, at five-thirty o'clock (5:30) p.m. to hold a public hearing relative to the proposed Power Sales Contract, to receive any petitions and to hear any objections to said Power Sales Contract as provided in said resolution of March 11, 2013. If at such hearing a petition duly signed by electors of said City in a number not less than five percent (5%) of the electors voting in the last special or general election shall be filed objecting to the proposed Power Sales Contract, then said Power Sales Contract shall not be executed or delivered by or on behalf of said City until approved by a majority vote of the qualified electors of said City who vote at a special election held for this purpose in the manner generally provided by Chapter 6-A of Title 18 of the Louisiana Revised Statutes of 1950. In the event no such petition is filed at said public hearing, it is the intention of this Governing Authority to proceed on that date or at some future duly convened meeting to (1) formally approve and authorize the execution and delivery of the Power Sales Contract substantially in the form attached to said resolution of March 11, 2013, as Exhibit A, (2) determine the amount (not exceeding sixty-four (64) megawatts) of power and energy to be obtained pursuant to said Power Sales Contract and (3) approve such other documents as may be appropriate to implement said Power Sales Contract, including by not limited to, the LEPA Power Project Revenue Bonds (LEPA Unit No. 1) Resolution.

NOTICE IS HEREBY FURTHER GIVEN that further information may be obtained upon request from the Clerk, with respect to the proposed Power Sales Contract and public hearing. Copies of (i) the Power Sales Contract, (ii) the proposed LEPA Revenue Bond Resolution and (iii) other relevant

documents, including, but not limited to, engineering report, appropriate transmission agreements and certain summaries thereof are on file with the City, and may be examined during regular office hours.

THUS DONE AND SIGNED at Natchitoches, Louisiana, on this, the 11th day of March, 2013.

CITY OF NATCHITOCHEs, STATE OF
LOUISIANA

/s/

Mayor: Lee Posey

STATE OF LOUISIANA

PARISH OF NATCHITOCHEs

I, the undersigned City Clerk of the City of Natchitoches, State of Louisiana (the "City"), do hereby certify that the foregoing pages constitute a true and correct copy of a resolution adopted by the governing authority on March 11, 2013, giving notice of intention of the City to enter into a Power Sales Contract by and between the City and the Louisiana Energy and Power Authority relative to a source of electric energy and power for the City's electric system, ordering a public hearing in connection therewith, providing for the publication of such Power Sales Contract and notice of the public hearing as required by law and providing for other matters incidental or necessary relative to the foregoing.

IN FAITH WHEREOF, witness my official signature, on this, the 11th day of March, 2013.


Clerk

EXHIBIT A

FORM OF POWER SALES CONTRACT

POWER SALES CONTRACT

BETWEEN

LOUISIANA ENERGY AND POWER AUTHORITY

AND

[PARTICIPANT],
AS PARTICIPANT

DATED AS OF _____, 2013

(LEPA UNIT No. 1)

POWER SALES CONTRACT

This POWER SALES CONTRACT made and entered into as of the 1st day of _____, 2013 (but actually executed on _____, 2013) is by and between LOUISIANA ENERGY AND POWER AUTHORITY ("LEPA"), a political subdivision and body politic and corporate of the State of Louisiana, created pursuant to Chapter 10-A of Title 33 of the Louisiana Revised Statutes of 1950 (the "Act"), and the [PARTICIPANT], a political subdivision of the State of Louisiana (the "Participant").

WITNESSETH:

WHEREAS, LEPA was created by the Act to provide a means for those Louisiana municipalities which are members of LEPA to secure electric power and energy for their present and future needs; and

WHEREAS, the Participant owns and operates an electric utility system as a part of its Combined Utilities System and is a member of LEPA; and

WHEREAS, LEPA is empowered by the Act (i) to acquire and construct facilities for the generation and transmission of electric power and energy, or to acquire an interest in any such facilities; (ii) to purchase, sell, transmit or otherwise use electric power and energy within or without the State of Louisiana; (iii) to issue its revenue bonds to pay all or part of the cost of acquiring facilities for the generation and transmission of electric power and energy; and (iv) to do all acts and things necessary to carry out the purposes and to exercise the powers granted to LEPA under the Act; and

WHEREAS, LEPA intends to acquire, construct, operate and maintain an electric power facility at Morgan City, Louisiana, as more fully described in Exhibit A attached hereto, named [LEPA Unit No. 1] (the "Project") from which electric power and energy will be transmitted to the Point of Delivery; and

WHEREAS, in order to enable LEPA to issue its revenue bonds to pay the cost of acquiring and constructing the Project it is necessary for LEPA to have substantially similar binding contracts with

the Participant and such other municipalities purchasing power and energy of the Project and to pledge the payments required to be made in accordance with such contracts as security for the payment of such revenue bonds; and

WHEREAS, LEPA and the Participant are legally empowered to enter into and perform this Power Sales Contract by virtue of the powers and authority granted by the Act, including particularly R.S. 33:4545.7 and 33:4545.9;

NOW, THEREFORE, for and in consideration of the mutual covenants and agreements herein contained, it is agreed by and between the parties hereto as follows:

SECTION 1) Definitions and Explanations of Terms. As used herein:

"Act" shall mean Chapter 10-A of Title 33 of the Louisiana Revised Statutes of 1950, as amended, and other constitutional and statutory authority supplemental thereto.

"Annual Budget" shall mean the annual budget of operating revenues and expenditures of the Project adopted each year by LEPA, and any amendments thereto.

"Bond Anticipation Notes" shall mean notes issued in one or more series pursuant to the terms of the Bond Resolution and under the authority of the Act and/or Chapter 14-B of the Title 39 of the Louisiana Revised Statutes of 1950, as amended, in anticipation of the issuance of Bonds which have been duly and lawfully authorized.

"Bond Resolution" shall mean Resolution No. _____ adopted by the Board of Directors of LEPA on _____, 2013 authorizing the issuance of Bonds, and all amendments and supplements thereto adopted in accordance with the provisions thereof. Resolution No. _____ shall be approved by the governing body of each Participant.

"Bonds" shall mean the Bonds from time to time issued by LEPA pursuant to the Bond Resolution to pay any part of the Cost of Acquisition and Construction of the Project and to pay the costs of engineering, financial, legal and economic surveys, studies and work relating to future power supply, including an allocable portion of LEPA's administrative and general expenses, and shall include

additional Bonds and refunding Bonds issued in accordance with this Power Sales Contract and the Bond Resolution.

"Combined Utilities System" shall mean the combined utilities system of the Participant of which the electric power and light plant and system of the Participant is a part. The Participant's electric utility system shall be deemed to be a Combined Utilities System for purposes of this Power Sales Contract if the revenues of the electric utility system (i) are commingled with the revenues of one or more other utility systems owned by the Participant, or (ii) are utilized to pay operating expenses of the Participant's electric utility system and one or more other utility systems owned by the Project Participant, or (iii) are pledged to secure bonds issued to finance one or more other utility systems owned by the Project Participant.

"Contract Year" shall mean the twelve (12) month period, commencing at 12:01 a.m. on January 1 of each year and expiring at 12:01 a.m. of the next succeeding January 1, except that the first Contract Year (which may be less than twelve months) shall commence on the first to occur of (i) the date to which all interest is capitalized with respect to the initial series of Bonds, (ii) the date which is twelve months prior to the date on which the first principal installment on any of the Bonds is due or (iii) the Date of Commercial Operation of the Project.

"Contract" or "Power Sales Contract" shall mean this Power Sales Contract.

"Cost of Acquisition and Construction" shall mean, to the extent not included in Monthly Power Costs, all costs of developing, studying, planning, engineering, financing, constructing, acquiring and placing in operation the Project, including related electric transmission facilities and upgrades necessary to interconnect the project at the Point of Delivery, and any natural gas pipeline facilities necessary to transport fuel supply to the Project, heretofore or hereafter paid or incurred by LEPA, all as contemplated by the term "Cost of Acquisition and Construction" as defined in the Bond Resolution, which shall include, but shall not be limited to, funds for:

(1) interest accruing in whole or in part on Bonds prior to and during construction and for such additional period as LEPA may reasonably determine to be necessary, in accordance with the provisions of the Bond Resolution;

(2) allowance for working capital requirements of the Project, including the deposit or deposits required to be made under the Bond Resolution from the proceeds of Bonds into any fund or account established pursuant to the Bond Resolution as a reserve for the expenses of operation and maintenance of the Project and set aside therein as a general reserve;

(3) the deposit or deposits required to be made under the Bond Resolution from the proceeds of Bonds into any fund or account established pursuant to the Bond Resolution to meet Debt Service reserve requirements for Bonds;

(4) the deposit or deposits required to be made under the Bond Resolution from the proceeds of Bonds into any fund or account established pursuant to the Bond Resolution as a reserve for renewals, replacements and contingencies and retirement from service or disposal of any facilities of the Project, including restoration of lands with respect thereto, or as a general reserve;

(5) all federal, state and local taxes and payments in lieu of taxes legally required to be paid in connection with the acquisition and construction of the Project;

(6) all costs relating to claims or judgments arising out of construction of the Project;

(7) planning and development costs, engineering fees, contractors' fees, costs of obtaining governmental or regulatory permits, including interconnection-related study and facilities costs, licenses and approvals, costs of real property, labor, materials, equipment, supplies, training and testing costs, insurance premiums, legal and financing costs, administrative and general costs, and all other costs properly allocable to the acquisition and construction of the Project and placing the same in operation;

(8) the payment and reimbursement to LEPA's member municipalities of any and all amounts advanced by them to LEPA prior to the sale and issuance of Bonds for Project expenses;

(9) the acquisition of fuel for the Project;

(10) all costs and expenses relating to claims or judgments arising out of the construction and operation of the Project;

(11) all costs and expenses relating to injury and damage claims arising out of the construction and operation of the Project;

(12) the costs and expenses, including discounts to the underwriters or other purchasers thereof, if any, incurred in the issuance and sale of bonds, notes or other evidences of indebtedness from time to time issued, the proceeds of which have been or will be required to be applied to one or more purposes for which Bonds could be issued;

(13) all other costs incurred in connection with, and properly chargeable in accordance with Uniform System of Accounts to, the acquisition and construction of the Project; and

(14) the payment of principal, premium, if any, and interest when due (whether at the maturity of principal or at the due date of interest or upon redemption) on Bond Anticipation Notes or Subordinated Indebtedness issued to finance any of the costs referred to above.

Prior to the Date of Commercial Operation of the Project, LEPA shall apply as a credit against the Cost of Acquisition and Construction of the Project, to the extent they have not been credited against Monthly Power Costs, all proper credits thereto, including, without limitation, all receipts, revenues and other monies received by it or credited to it from insurance proceeds, condemnation awards, damages collected from contractors, subcontractors or others and proceeds from the sale or other disposition of surplus property and test energy, all relating to the Project, and interest earned on investments held under the Bond Resolution.

"Date of Commercial Operation" shall mean the day on which the Project is placed in normal continuous operation, presently anticipated to be August 6, 2015.

"Decommissioning Account" shall mean the account established and maintained pursuant to Section 26 of this Power Sales Contract.

"Debt Service" shall mean, with respect to any period, the aggregate of the amounts required by the Bond Resolution to be paid or deposited during said period into any fund or account created by the Bond Resolution for the sole purpose of paying the principal (including sinking fund installments) of, or premium, if any, and interest on, all Bonds from time to time outstanding as the same shall become due; provided, however, that Debt Service shall not include any amount payable as to principal, premium or interest solely as a result of acceleration of maturity of Bonds.

"Energy and Operating Reserve Markets" shall mean the Day Ahead and/or Real Time Energy and Operating Reserve Markets operated by MISO.

"Entitlement Share" shall mean, with respect to each Participant, that percentage of Project Capability shown opposite the name of such Participant in the Schedule of Participants, which percentage is subject to adjustment as provided in Section 29.

"Generation Resource" shall mean a Generator within the MISO Balancing Authority Area and that (i) is registered to participate in the Energy and Operating Reserve Markets, (ii) is capable of supplying Energy, Capacity and/or Operating Reserves, (iii) is capable of complying with the Transmission Provider's Setpoint Instructions and (iv) has metering equipment installed that is satisfactory to MISO.

"Minimum Loading Level" shall mean, with respect to each Participant, the minimum amount of production which such Participant may be required to schedule when the Project is operating, which minimum amount in any hour shall be determined by multiplying the minimum amount of production which LEPA finds and determines, in its sole discretion, is necessary to permit economic operation, by a fraction the numerator of which is such Participant's Entitlement Share and the denominator of which is the aggregate of the Entitlement Shares of all the Participants.

"MISO" shall mean the Midwest Independent Transmission System Operator, Inc. a Federal Energy Regulatory Commission-approved Regional Transmission Operator (RTO), including any successor thereto.

"MISO Energy Market Charges" shall mean charges and credits that appear on the MISO Settlement Statements that relate to the operation of the Project in the MISO Day-Ahead and Real-Time Energy market.

"MISO Market Rules and Protocols" shall mean the Market Rules and Protocols of MISO as defined in MISO's Business Practice Manuals.

"MISO Operating Reserve Market Charges" shall mean charges and credits that appear on MISO Settlement Statements that relate to the operation of the Project in the Day-Ahead and Real-Time Operating Reserve Markets.

"MISO Settlement Statements" shall mean reports provided by MISO to Market Participants containing some aggregate and some detailed charge type information and determinant data regarding financial obligations for Energy and Operating Reserve Market activities and services, allowing for the verification by the Market Participant of Settlement invoiced amounts.

"MISO Tariff" shall mean MISO's Open Access Transmission and Energy Markets Tariff, including the resource adequacy requirements of Module E and E-1, as amended from time to time.

"Month" shall mean a calendar month.

"Monthly Power Costs" shall mean, with respect to each Month of each Contract Year, all costs (other than Project Energy Related Costs) attributable to the Project, to the extent not paid from the proceeds of Bonds (including income from investment of such proceeds) to the extent permitted by the Bond Resolution, that are paid or incurred by LEPA during such Month resulting from the ownership, operation, maintenance and termination of, and repairs, renewals, replacements, additions, improvements, betterments and modifications to, the Project, and the fixed costs of delivery of power and energy associated with Project Capability to the Points of Delivery of all the Participants, including, without limitation, the following items of cost:

- (1) the amount required under the Bond Resolution to be paid or deposited during such Month into any fund or account established by the Bond Resolution for the payment of Debt Service on Bonds;

(2) the amount required under the Bond Resolution to be paid or deposited during such Month into any fund or account established by the Bond Resolution (other than funds and accounts referred to in clause (1) above and (5) below), including any amounts required to be paid or deposited by reason of the transfer of monies from such funds or accounts to the funds or accounts referred to in clause (1) above;

(3) fees and other payments associated with interest rate and commodity swaps and hedging transactions, including any termination fees associated therewith;

(4) any amount which LEPA may be required during such Month to pay for insurance procured pursuant to Section 19 or for the prevention or correction of any loss or damage or for renewals, replacements, repairs, additions, improvements, betterments, and modifications which are required or which are necessary to keep the Project in good operating condition or to prevent a loss of revenues therefrom, but in each case only to the extent that (a) funds for such payment are not available to LEPA from any funds or accounts established under the Bond Resolution for such purpose or (b) funds for such payment are not provided by the issuance of Bonds;

(5) the costs of operating and maintaining the Project and of producing and delivering capacity and energy therefrom during such Month (including allocable portions of LEPA's administrative and general expenses and working capital, for fuel or otherwise, but excluding Project Energy Related Costs and depreciation) not included in the costs specified in the other items of this definition and properly chargeable to the Project;

(6) the amounts required to be paid or deposited during such Month into any fund or account established by the Bond Resolution or otherwise for the payment of principal of, and premium, if any, and interest on, Bond Anticipation Notes and Subordinated Indebtedness other than any amount payable as principal, premium or interest solely as a result of acceleration of maturity of such Bond Anticipation Notes or Subordinated Indebtedness;

(7) the amounts determined by LEPA to be deposited for such month in the Decommissioning Account pursuant to Section 26 hereof;

(8) any additional amount relating to the Project not specified in the other items of this definition (excluding Project Energy Related Costs) which must be paid by LEPA;

(9) any additional amount not in excess of 2% of the amount required to be paid pursuant to clause (1) above for engineering, financial, legal and economic surveys, studies and work relating to future power supply, including an allocable portion of LEPA's administrative and general expenses; and

(10) any additional amount which must be realized by LEPA during such Month in order to meet the requirement of any rate covenant of the Bond Resolution with respect to Debt Service coverage with respect to Bonds or which LEPA deems advisable in the marketing of Bonds.

"NERC" shall mean the North American Electric Reliability Corporation and any regional reliability organization.

"Net Electric Capacity and Energy" shall mean the gross electric generating capability and associated electric energy of the Project less the associated electric energy utilized by the Project for all processes, auxiliary equipment and systems used or useful in connection with startup, operation, maintenance, control, supply or shutdown of the Project.

"Participants", unless the context indicates otherwise, shall mean, in the singular, the Participant named on the front cover of this Power Sales Contract, and in the plural, the parties, including the Participant, other than LEPA, to Power Sales Contracts substantially similar hereto and named on the Schedule of Participants attached hereto as Exhibit C.

"Participants Committee" shall mean the committee created pursuant to Section 8 herein.

"Point of Delivery" shall mean, with respect to the Project, the point of interconnection at the Morgan City 138 kV substation and the transmission facilities of CLECO LLC, as established in the Interconnection Agreement and as described in Exhibit B hereto.

"Power Sales Contracts" shall mean this Power Sales Contract and the other Power Sales Contracts, dated the date hereof, between LEPA and the other Participants, all of which are uniform in all material respects in their terms, conditions and provisions with the exception of the Entitlement Share and the Point of Delivery for each of the Participants.

"Project" shall mean LEPA Unit No. 1, an approximately ____ MW, nominal, electric generating unit located at Morgan City, Louisiana, including the site therefor, and all related facilities owned, leased or used by LEPA in connection with the operation thereof.

"Project Capability" shall mean the amount of Net Electric Capacity and Energy, if any, which the Project is capable of generating at any particular time (including times when the Project is not operable, or operating, or the operation thereof is suspended, interrupted, interfered with, reduced or curtailed, in each case in whole or in part for any reason whatsoever).

"Project Energy Related Costs" shall mean, with respect to the Project, those costs which vary with the amount of capacity and energy produced from time to time, which are directly related to the amount of capacity and energy produced. Such costs shall include, but not be limited to, the cost of fuel, MISO Energy Market Charges and MISO Operating Reserve Market Charges, variable operation and maintenance costs, and consumables.

"Prudent Utility Practice" shall mean, at a particular time, any of the practices, methods and acts engaged in or approved by a significant portion of the electrical utility industry prior to the time of the reference, or any of the practices, methods and acts which, in the exercise of reasonable judgment in light of the facts known at the time the decision was made, could have been expected to accomplish the desired result at the lowest reasonable cost consistent with reliability, safety and expedition. Prudent Utility Practice is not intended to be limited to the optimum practice, method or act, to the exclusion of all others, but rather to be a spectrum of possible practices, methods or acts. Prudent Utility Practice shall apply not only to functional parts of the Project, but also to appropriate structures, landscaping, painting, signs, lighting, or facilities and public relations programs reasonably designed to promote public enjoyment, understanding and acceptance of the Project.

"Resource Adequacy Requirements" shall mean the planning reserve procedures and requirements in Module E of the MISO Tariff, as that Module shall be amended and the Business

Practices Manual for Resource Adequacy that ensure there are adequate planning resources available for load serving entities to reliability meet their load serving obligations.

"Schedule of Participants" shall mean the Schedule of Participants attached hereto as Exhibit C, as the same may be amended or supplemented from time to time in accordance with the provisions hereof.

"Subordinated Indebtedness" shall mean any bonds, notes, debentures, obligations or other evidence of indebtedness of LEPA secured on a subordinate basis to the Bonds or Bond Anticipation Notes by a pledge of the payments required to be made by the Participant under Section 5 of this Power Sales Contract and all other payments attributable to the Project to be made in accordance with or pursuant to any other provision of this Power Sales Contract.

"Supplemental Agreement" shall mean any agreement which is necessary to:

- (1) obtain Participant's Entitlement Share and/or Capacity and Energy from the MISO Energy and Operating Reserve Markets and to meet Resource Adequacy Requirements and any MISO Tariff requirement;
- (2) supplement capacity and energy and related services provided by LEPA from the MISO Market under MISO Market Protocols and Tariff for service to the Participant's load; and
- (3) effectuate transmission from the Point of Delivery to load.

"Uncontrollable Forces" shall mean any cause which is beyond the control of LEPA and which, by the exercise of due diligence, LEPA is unable to overcome, and shall include, but not be limited to, an act of God, fire, flood, explosion, strike, sabotage, an act of the public enemy, civil or military authority, including court orders, injunctions and orders of government agencies with proper jurisdiction prohibiting acts necessary to performance hereunder or permitting such act only subject to unreasonable conditions, insurrection or riot, an act of the elements, failure of equipment or inability to obtain or ship materials or equipment because of the effect of similar causes on suppliers or carriers.

"Uniform System of Accounts" shall mean the Federal Energy Regulatory Commission Uniform Systems of Accounts Prescribed for Public Utilities and Licensees (Class A and Class B), as the same may be modified, amended or supplemented from time to time.

SECTION 2) Term of Contract. (a) This Power Sales Contract shall become effective on _____, provided the Power Sales Contracts shall have been executed and delivered on or prior to such date by Participants whose Entitlement Shares as shown on the Schedule of Participants equal in the aggregate 100%.

(b) Unless terminated pursuant to Section 25 hereof, this Power Sales Contract shall continue in effect until the later of (i) the date the principal of, premium, if any, and interest on all Bonds and Bond Anticipation Notes have been paid or funds have been set aside for the payment thereof in accordance with the provisions of the Bond Resolution, or (ii) the earlier of (A) the date the Project and all of its associated facilities are no longer used and useful for the generation of electricity, or (B) until _____, a date that is fifty (50) years from the estimated Date of Commercial Operation.

(c) Neither termination nor expiration of this Power Sales Contract shall affect any accrued liability or obligation hereunder. Notwithstanding the foregoing, in the event it is ultimately determined that any other Participant failed to duly and validly execute and deliver its Power Sales Contract, or if any other Power Sales Contract, or any portion thereof, shall be deemed invalid or unenforceable for any other reason whatsoever, such determination shall in no way affect the commencement, term or enforceability of this Power Sales Contract or the Participant's obligations hereunder.

SECTION 3) Covenants of LEPA. LEPA agrees that it shall use its best efforts (i) to plan, finance, construct, acquire, operate, maintain and manage, or arrange for the planning, financing, construction, acquisition, operation, maintenance and management of, the Project in accordance with Prudent Utility Practice and so as to meet the requirements of government agencies having jurisdiction and under the MISO Tariff and Market Rules and Protocols; (ii) to obtain, or arrange for obtaining, federal, state and local permits, licenses and other rights and regulatory approvals necessary for the financing, construction, acquisition, operation and maintenance of the Project; and (iii) from time to time to issue and sell Bonds in accordance with the Bond Resolution to finance the Cost of Acquisition and Construction of the Project and to finance the cost of any capital additions, renewals, repairs,

replacements or modifications to the Project not otherwise provided for, which are permitted by the terms of the Bond Resolution, but in each case only to the extent that Bonds may then be legally issued and sold therefor.

SECTION 4) Sale and Purchase. LEPA hereby sells, and the Participant hereby purchases, the Participant's Entitlement Share of Project Capability. The Participant shall, in accordance with and subject to the provisions of Section 5, pay to LEPA (i) for its Entitlement Share of Project Capability, an amount determined by multiplying Monthly Power Costs by the Participant's Entitlement Share and (ii)) for the greater of: a) its Entitlement Share of the Project Energy Related Costs supplied at the Point of Delivery, an amount determined by multiplying the monthly Project Energy Related Costs by the Participant's Entitlement Share or, b) its energy weighted share of monthly Project Energy Related Costs for energy scheduled and delivered to the Point of Delivery pursuant to this Power Sales Contract, an amount determined by multiplying Project Energy Related Costs by a fraction the numerator of which is the number of kilowatt hours of energy scheduled from the Project by the Participant pursuant to this Power Sales Contract during the Month to which such payment relates and the denominator of which is the total kilowatt hours of energy scheduled from the Project by all Participants pursuant to Power Sales Contracts during such Month. Such payments are to be computed and made as provided in Section 5 below.

On an annual basis, LEPA shall collect data and perform tests in accordance with any NERC or MISO Tariff requirement to determine the Capacity of the Project for purposes of meeting the Resource Adequacy Requirements.

SECTION 5) Method of Payment. (a) On or before 30 days prior to the estimated commencement of the first Contract Year and on or before December 1 prior to the beginning of each Contract Year thereafter, LEPA shall prepare and mail to the Participant a budget showing an estimate by Month of the Monthly Power Costs and Project Energy Related Costs, and the Participant's share of each, for the following Contract Year, which estimates will establish the basis for the Participant's payments in respect of Monthly Power Costs and Project Energy Related Costs allocable to the Participant as hereinafter provided.

(b) On or before the 15th day of each Month beginning with the Month next preceding the commencement of the first Contract Year, LEPA shall render to the Participant a monthly statement

showing (i) the amount payable by the Participant in respect of Monthly Power Costs for the following Month, as estimated by LEPA based on information provided by the Participants; (ii) the amount payable by the Participant in respect of Project Energy Related Costs for the following Month, as estimated by LEPA; (iii) the amount, if any, credited to or payable by the Participant with respect to any adjustment for actual Monthly Power Costs and Project Energy Related Costs incurred during a prior Month for which credit or payment has not been made; (iv) the credits, if any, against Monthly Power Costs determined in accordance with paragraphs (j) and (k) of this Section 5; (v) other credits, if any, against Monthly Power Costs; and (vi) any other amounts payable by or credited to such Participant pursuant to this Power Sales Contract or the Bond Resolution; and such Participant shall pay the total of such amounts as specified in this Section 5.

(c) At the end of each quarter of each Contract Year and at such other times as it shall deem desirable, LEPA shall review its budget of Monthly Power Costs and Project Energy Related Costs for the Contract Year. In the event such review indicates that such budget does not or will not substantially correspond with actual receipts or expenditures, or if at any time during such Contract Year there are or are expected to be extraordinary receipts, credits or payments of costs substantially affecting Monthly Power Costs and Project Energy Related Costs, LEPA shall prepare and provide to the Participant a revised budget incorporating adjustments to reflect such receipts, credits or payments which shall supersede the previous such budget as a basis for the Participant's monthly payments hereunder for the balance of that Contract Year.

(d) Monthly payments required to be paid to LEPA pursuant to this Section 5 shall be due and payable in immediately available funds at the principal office of LEPA, or such other address as LEPA shall designate in writing to the Participant, on the 10th day of the Month with respect to which the monthly statement was rendered.

(e) If payment in full is not made on or before the close of business on the due date, a delayed-payment charge on the unpaid amount due for each day overdue will be imposed at a rate equal to the annual percentage rate of interest being charged on such day for 90-day loans to substantial and responsible borrowers by the bank serving as Trustee under the Bond Resolution, plus 1%, or the maximum rate lawfully payable by the Participant, whichever is less. If said due date is Saturday, Sunday or a holiday, the next following business day shall be the last day on which payment may be made without the addition of the delayed-payment charge.

(f) In the event of any dispute as to any portion of any monthly statement, the Participant shall nevertheless pay the full amount of the disputed charges when due and shall give written notice of the dispute to LEPA not later than the date such payment is due. Such notice shall identify the disputed bill, state the amount in dispute and set forth a full statement of the grounds on which such dispute is based. No adjustment shall be considered or made for-disputed charges unless notice is given as aforesaid. LEPA shall give consideration to such dispute and shall advise the Participant with regard to its position relative thereto within thirty (30) days following receipt of such written notice. Upon final determination (whether by agreement, arbitration, adjudication or otherwise) of the correct amount, any difference between such correct amount and such full amount shall be subtracted from the statement next submitted to the Participant after such determination.

(g) On or before one hundred eighty days after the end of each Contract Year, LEPA will submit to the Participant a detailed statement of the actual aggregate Monthly Power Costs and Project Energy Related Costs, and the Participant's share of each, and all other amounts payable by or credited to the Participant pursuant hereto for all of the Months of such Contract Year, based on the annual audit of accounts provided for in Section 20 hereof. If, on the basis of the statement submitted as provided in this paragraph (g), the actual Monthly Power Costs and Project Energy Related Costs allocable to the Participant and other amounts payable for such Contract Year exceed the estimate thereof on the basis of which the Participant has been billed, the Participant shall pay LEPA within ten business days the amount of such excess. If, on the basis of the statement submitted pursuant to this paragraph (g), the actual Monthly Power Costs and Project Energy Related Costs allocable to the Participant or other amounts payable for such Contract Year are less than the estimate therefor on the basis of which such Participant has been billed, LEPA shall credit such Participant's next monthly statement or statements pursuant to this Section 5.

(h) Project Energy Related Costs, including any adjustments thereto, shall be determined by LEPA in accordance with the applicable provisions of this Power Sales Contract. The Participant shall pay such amounts pursuant to paragraphs (b) and (d) of this Section 5.

(i) The obligations of the Participant to make the payments under this Section 5 shall constitute obligations of the Participant payable as an operating expense of the Participant's Combined Utilities System solely from the revenues derived by the Participant from the ownership and operation

of its Combined Utilities System, and such payments shall be made whether or not the Project is completed, operable or operating and notwithstanding the suspension, interruption, interference, reduction or curtailment of the output of the Project for any reason whatsoever in whole or in part. The obligations of the Participant to make such payments shall not be subject to any reduction, whether by offset or otherwise, and shall not be conditioned upon the performance or nonperformance by LEPA or any other of the Participants under this or any other agreement or instrument.

The Participant covenants and agrees that it will not issue bonds, notes or other evidences of indebtedness, or enter into any contract or agreement or incur any expenses, payable from or secured by revenues of the Participant's Combined Utilities System superior to or having a priority over the obligations of the Participant to make the payments required under this Section 5.

The obligation of the Participant to make the payments under this Section 5 shall not constitute an indebtedness of the Participant for the purpose of any constitutional or statutory limitation or a legal or equitable pledge, charge, lien or encumbrance upon any property of the Participant or upon any of its income, receipts or revenues, except the revenues of its Combined Utilities System, and neither the faith and credit nor the taxing power of the Participant is pledged for the payment of any obligation hereunder.

(j) The reasonably anticipated proceeds from sales of Project power and energy shall be estimated in preparing the budgets required under this Section 5 and any revenues actually received by LEPA as a result of such sales shall be applied as a credit against Monthly Power Costs.

(k) LEPA shall use its best efforts to collect or cause to be collected and shall apply to the retirement of the Bonds by purchase or redemption, to the extent not credited or to be credited against the Cost of Acquisition and Construction or required to be otherwise applied under the Bond Resolution, all receipts, revenues and other moneys received by it or credited to it from insurance proceeds, condemnation awards, damages in connection with the construction of the Project collected from contractors, subcontractors or others and proceeds from the sale or other disposition of surplus property, all related to the Project. LEPA shall apply as a credit against Monthly Power Costs, in such manner as LEPA may determine, interest earned on investments held under the Bond Resolution to the extent not credited against the Cost of Acquisition and Construction.

SECTION 6) Scheduling of Deliveries. To the extent the Project is operable, LEPA will offer, or cause to be offered, the Project in the MISO Energy and Operating Reserve Markets with each Participant receiving its Entitlement Share or credit for its Entitlement Share of capacity and energy generated by the Project. LEPA shall be responsible for transmission of the power to the Point of Delivery and each Participant is responsible for obtaining any necessary transmission service from the Point of Delivery. Each Participant shall enter into any Supplemental Agreements with LEPA and/or a third party as a condition precedent to the effective date of this Power Sales Contract to ensure that Participant can take title to energy and capacity delivered at the Point of Delivery. To the extent the Project is not operating in MISO, or the Participant elects to self-schedule, commencing on the Date of Commercial Operation, the Participant shall be entitled to schedule, pursuant to this Section 6, electric capacity and energy to which the Participant is entitled under this Power Sales Contract subject to the following criteria:

(a) To the extent the Project is operating, or scheduled to operate by LEPA at no less than its minimum rating as established by LEPA in the MISO market, or such other regional transmission organization(s) and electricity markets, the Participant may schedule operation of its Entitlement Share of the Project at an amount not less than the ratio of the Project's minimum rating to the Project normal maximum rating, as established by the LEPA Board of Directors from time to time, multiplied by the Participant's Entitlement Share.

(b) To the extent the Project is not operating, nor scheduled to operate by LEPA at least at its minimum rating in the MISO market, the Participant may self-schedule at no less than the Project's minimum rating and no greater than the full amount of its Entitlement Share of the remaining unscheduled capacity of the Project plus the Project's minimum rating, by providing notice to LEPA of its schedule and provided that LEPA and the other Participants who do not self-schedule the Project are made whole by a self-scheduling Participant(s) from any adverse incremental cost effects associated with a Participant's self-scheduling arising under the MISO Market Rules and Protocols and Tariffs. Such adverse cost effects may include Project start-up costs, fuel costs, MISO penalties, and long term maintenance costs, as determined by the LEPA Board of Directors and based on MISO Settlement Statements. In the event that multiple Participants elect to self-schedule under this provision, each Participant will be allocated its pro-rata share of the Project's minimum rating and each Participant may self-schedule at no less than its allocated share of the Project's minimum rating

and no greater than the full amount of its Entitlement Share of the remaining unscheduled capacity of the Project plus its allocated share of the Project's minimum rating.

It is understood by the Participant that deliveries of electric capacity and energy shall reflect associated transmission losses. The Participant shall provide to LEPA or its designee written schedules, including revisions from time to time, for such production and use, which schedules shall be submitted in a manner and form sufficient to allow LEPA to satisfy requirements for scheduling to prepare the budgets required under Section 5. LEPA shall use its best efforts to schedule or cause to be scheduled such production and use in accordance with the schedules furnished to it by the Participant as herein provided, including revisions thereto made by the Participant and revisions thereto made by LEPA as necessary to provide for associated transmission losses; provided that the Participant's dispatcher shall be permitted to maintain communication with LEPA for purposes of modifying schedules during periods of emergency or for economic dispatch of energy production; and provided further that the Participant shall promptly notify LEPA of any such schedule modifications. LEPA shall inform the Participant's dispatcher when the Participant's schedule of energy production in any hour shall be increased to the Participant's Minimum Loading Level. LEPA shall use its best efforts to keep the Participant informed of all matters which may affect the Participant's ability to carry out the provisions of this Section 6. All schedules, including revisions thereto, shall be adjusted after the fact by LEPA to reflect actual deliveries of electric capacity and energy under this Power Sales Contract.

Except as provided in this Section 6, the Participant shall not be entitled to schedule in any hour production of power and energy in excess of such Participant's Entitlement Share.

SECTION 7) Disclosure. It is recognized that, as a result of obligations in connection with any sale of bonds, LEPA will be obligated to make certain disclosures from time to time, and the Participant hereby covenants and obligates itself to furnish LEPA with the necessary information to permit it to satisfy its disclosure obligation.

SECTION 8) Establishment of Participants Committee. (a) A Participants Committee is hereby established to provide for effective cooperation and interchange of information and to provide coordination on a prompt and orderly basis among the Participants and LEPA in connection with the various financial, administrative and technical matters which may arise from time to time in connection

with construction and operation of the Project. The Participants Committee shall consist of one representative from each Participant.

(b) LEPA shall call Participants Committee meetings at least twice per calendar year at dates to be set by a vote of the Participants Committee. LEPA shall give each Participant 30 days notice of the date of the first Participants Committee meeting. A special meeting of the Participants Committee may be scheduled by LEPA or upon the written request of any two Participants with no less than two business days notice. Except as specifically provided for in this Power Sales Contract, neither any one Participant nor any Participants Committee shall have any power to alter the terms and conditions of any Power Sales Contract, the services to be provided by LEPA pursuant to any Power Sales Contract, and the costs and billing therefor, or any other Power Sales Contract or Contracts between LEPA and any other entity with respect to the Project.

(c) Each Participant shall name a designated voting representative who shall be an official or employee of the Participant. Such voting representative shall be named by the Participant, in writing, filed with LEPA at least ten business days prior to the first meeting of the Participants Committee to be called pursuant to paragraph (b) above. All Participant votes to be taken pursuant to this Power Sales Contract shall be cast only by a designated voting representative. A procedure for changes in voting representative may be adopted by the Participants at the first meeting of the Participants Committee or any meeting thereafter. A majority of Participant designated voting representatives constitutes a quorum for a Participants Committee meeting. Fifty-one percent (51%) of designated Participant voting representatives present and voting at the meeting, plus designated Participant voting representatives present and voting at the meeting having Participant's Entitlement Shares totaling sixty-six and two-thirds percent (66-2/3%) of all Participant's Entitlement Shares at the meeting shall decide a question.

(d) The agenda for any Participants Committee meetings may include a review of reports required to be produced by this Power Sales Contract, reports on significant developments affecting the Project, a review of LEPA costs and Annual Budget, or amended Annual Budget and the discussion or preparation of appropriate recommendations to LEPA. A Participants Committee Chairperson, who will chair all Participants Committee meetings shall be designated in accordance with paragraph (e) below.

(e) LEPA, on its own, or at the request of at least two Participants in accordance with paragraph (b) above shall (i) make arrangements for posting Participants Committee meetings in accordance with the open meetings law, (ii) notify all Participants of the time, place and date of each such meeting, and (iii) prepared minutes of all such meetings. After Participants Committee approval, all such minutes shall be provided to all Participants. The Chairperson of the Participants Committee shall be elected to serve a _____ year term. A Chairperson shall be elected at the first meeting of the Participants Committee. The Chairperson or, in the Chairperson's absence, a Vice Chairperson elected by the Participants Committee for a _____ year term, shall be responsible for presiding over meetings of the Participants Committee.

SECTION 9) Participants Committee Responsibilities. Pursuant to an affirmative vote, the Participants Committee may petition the LEPA Board of Directors for action/vote on any item related to the Project. The LEPA Board of Directors must take action on any item brought before them by a Participants Committee.

The Participants Committee shall have the following responsibilities:

(a) Provide liaison between LEPA at the management level and the Participants with respect to the construction and operation of the Project.

(b) Exercise general supervision over any committee established pursuant to Section 12 hereof.

(c) Review, discuss and attempt to resolve any disputes among the Participants or among one or more of the Participants and LEPA relating to the Project.

(d) Make recommendations to LEPA with respect to the construction and operation of the Project.

(e) Review, modify and approve the form of the written statistical and administrative reports and information and other similar records and reports to be furnished to the Participants by LEPA.

(f) Review and comment on the schedule of planned maintenance outages formulated by LEPA including the policies for selection and utilization of maintenance contractors for contract maintenance included in the annual budget with respect to the Project. In reviewing and commenting on such schedules, consideration shall be given to the conditions of each Participant's system which may prevail during such planned maintenance outage.

(g) Review and comment on the Annual Budget and any amendments thereto.

(h) Review and comment on the fuel procurement plan or any amendment thereto, including emergency fuel procurement, and the policies or programs formulated by LEPA for the procurement and consumption of fuel, hedging of fuel costs, and determining or estimating values, quantities, expenses and costs of fuel.

(i) Review and comment on and make recommendations for all capital improvements and the budgets or other provisions for the payment or financing thereof.

(j) Review, comment and vote on plans for capital improvements and the budget or other provisions for the payment or financing thereof.

(k) Review and comment on LEPA insurance program with respect to the Project including, without limitation, the establishment of any self-insurance program and the maximum amount or amounts of an uninsured claim that LEPA may settle without prior consultation with the Participants Committee.

SECTION 10) Change in Representative. Each Participant shall promptly give notice to the other Participants and to LEPA of any changes in the designation of its representative on any committee, and LEPA shall promptly give notice to the Participants of any changes in the designation of its representative on any committee.

SECTION 11) Representative's Expenses. Any expenses incurred by any representative of any Participant, or group of Participants, serving on the Participants Committee or any other committee in connection with his/her duties on such committees shall be paid by the Participant or Participants which he/she represents and shall not be payable under this Power Sales Contract.

calibrated by comparison with accurate standards at intervals of not less than twelve months. LEPA shall also make or cause to be made special meter tests at any time at the Participant's request. The cost of all tests shall be included as Monthly Power Costs except that if any special meter test made at the Participant's request shall disclose that the meters are recording accurately, the Participant shall bear the cost of such test. Meters registering not more than two percent above or below normal shall be deemed to be accurate.

SECTION 16) Use of Excess Project Power and Energy. It is expected that from time to time throughout the useful life of the Project there will be excess Project power and energy available incidental to normal demand factors of the electric systems of the Participants. In order to achieve efficiency and economy in the sale of such excess Project power and energy, LEPA shall be responsible for arranging for the sale of excess Project power and energy, including sales among the Participants as well as sales to other utilities, and for the making of appropriate payments or credits of the proceeds of such sales to the respective Participants in accordance with criteria and procedures to be established by the Board of Directors of LEPA.

SECTION 17) Tax Covenant. [TO COME.]

SECTION 18) Character and Continuity of Service. (a) Power and energy delivered hereunder shall be at the nominal voltage for the Point of Delivery and shall be three-phase alternating current, at approximately sixty cycles per second. LEPA may temporarily interrupt or reduce deliveries of electric energy to the Point of Delivery if LEPA determines that such interruption or reduction is necessary in case of emergencies, or in order to install equipment in, make repairs to, replacements, investigations and inspections of, or perform other maintenance work on, the Project. Except for emergency situations, LEPA will consult with each Participant in the annual scheduling of maintenance for the Project. Notwithstanding the foregoing, LEPA will determine the timing of the installation of equipment in, repairs to, replacements, investigations and inspections of, or performance of other maintenance work on, the Project in its sole discretion and shall comply with MISO Tariff and notification requirements.

(b) Except as interrupted by Uncontrollable Forces or as provided otherwise by this Power Sales Contract, the Participant's Entitlement Share of Project Capability shall be made available in accordance with this Power Sales Contract at all times during the term of this Power Sales Contract;

SECTION 12) Additional Committees. The Participants Committee may establish, as needed, in its sole discretion, other committees. The authority, membership and duties of any such committee(s) shall be established by the Participants Committee; provided, however, such authority, membership or duties shall not conflict with the provisions of any of the Power Sales Contracts or the Bond Resolution. Each such committee shall be responsible and report to the Participants Committee.

SECTION 13) Written Record. All actions, resolutions, determinations and reports made by the Participants Committee or any other committee as required or established by this Power Sales Contract shall be set forth in a written record and its minutes.

SECTION 14) Compliance with Other Documents. It is recognized by LEPA and the Participants that the planning, financing, construction, acquisition, operation and maintenance of the Project must comply, in all respects, with requirements of this Power Sales Contract and the Bond Resolution, MISO Tariff, Market Rules and Protocols, the Interconnection Agreement and all license, permits and regulatory provisions necessary for such planning, financing, construction, acquisition, operation and maintenance of the Project, and it is therefor agreed that, notwithstanding any other provision of this Contract, (i) no action by any Participant or the Participants Committee shall require LEPA to act in any manner inconsistent with the Bond Resolution or any such requirements or to refrain from acting as therefore required, and (ii) if the Participants Committee shall fail to make recommendations or act with respect to any matter in connection with an action that is required to be taken pursuant to any of the foregoing, LEPA shall take such action as is appropriate to assure compliance with the foregoing, and it is therefore agreed that this Contract is made subject to the terms and provisions of the Bond Resolution and all such licenses, permits and regulatory approvals.

SECTION 15) Point of Delivery; Power Factor; Metering. (a) LEPA shall use its best efforts to deliver, or cause to be delivered, to the Point of Delivery, the capacity and energy scheduled pursuant to Section 6 of this Power Sales Contract.

(b) LEPA reserves the right to provide for installation of meters and will provide or cause to be provided all necessary metering equipment for determining the quantity and conditions of the supply of electric power and energy delivered by LEPA under this Power Sales Contract and all metering shall comply with the MISO Tariff. LEPA shall test and calibrate meters or cause meters to be tested and

provided, however, that non-delivery of electric power and energy on account of Uncontrollable Forces or for any other reason shall not relieve the Participant from its obligations to make its payments required under Section 5 hereof.

SECTION 19) Insurance. LEPA shall maintain, or cause to be maintained as part of the Cost of Acquisition and Construction and Monthly Power Costs, as appropriate, insurance with respect to the Project in accordance with Prudent Utility Practice and the Bond Resolution. It is understood by the parties that the Participant has an insurable interest in the Project and may procure for its own purposes and in its own name and pay for such insurance with respect to its own insurable interest as it may determine.

SECTION 20) Accounting. LEPA agrees to keep accurate records and accounts relating to the Project and relating to Monthly Power Costs and Project Energy Related Costs in accordance with the Bond Resolution and the Uniform System of Accounts, separate and distinct from its other records and accounts. Said accounts shall be audited annually by a firm of certified public accountants, experienced in public finance and electric utility accounting and of national reputation, to be employed by LEPA. A copy of each annual audit, including all written comments and recommendations of such accountants, shall be furnished by LEPA to the Participant not later than 180 days after the end of each Contract Year.

The Participant agrees to keep accurate records and accounts relating to the conduct of the business of its Combined Utilities System and shall keep separate and distinct from its other records and accounts accurate records and accounts relating to this Power Sales Contract. Said accounts shall be audited annually by a firm of certified public accountants, experienced in electric utility accounting, to be employed by the Participant. A copy of each annual audit, including all written comments and recommendations of such accountants, shall be furnished by the Participant to LEPA not later than 120 days after the termination of its fiscal year.

SECTION 21) Information to be Made Available. (a) The following shall be made available by LEPA:

(1) All books of account, records, documentation and contracts in the possession of LEPA relating to the construction and operation of the Project shall be available for examination by the Participant.

(2) Copies of all agreements and data in the possession of LEPA relating to the financing of the Project shall be available for examination by the Participant.

(3) Copies of all operating and financial records and reports relating to the Project in the possession of LEPA shall be available for examination by the Participant.

(4) Copies of policies of insurance carried pursuant to Section 19 hereof shall be available for examination by the Participant.

(b) The Participant shall, upon request, make available to LEPA all such information, certificates, engineering reports, feasibility reports, financial statements, opinions of counsel (including the opinion required by Section 40 hereof) and other documents as shall be reasonably necessary in connection with the financing of the Project and the cost of producing or obtaining the same shall be a part of the Cost of Acquisition and Construction.

SECTION 22) Bonds, Additional Bonds and Refunding Bonds. (a) The issuance of an amount not exceeding \$_____ of Bonds by LEPA in accordance with the provisions of the Bond Resolution is hereby approved.

(b) Additional Bonds may be sold and issued by LEPA in accordance with the provisions of the Bond Resolution at any time and from time to time in the event, for any reason, the proceeds derived from the sale of Bonds prior to such time shall be insufficient for the purpose of paying the Cost of Acquisition and Construction of the Project and of paying the costs of engineering, financial, legal and economic surveys, studies and work relating to future power supply, including an allocable portion of LEPA's administrative and general expenses.

(c) Additional Bonds may be sold and issued by LEPA in accordance with the provisions of the Bond Resolution at any time and from time to time in the event funds are required to pay the cost

of (i) any major renewals, replacements, repairs, additions, betterments, modifications or improvements to the Project necessary to keep the Project in good operating condition or to prevent a loss of revenues therefrom, (ii) any major additions, improvements, repairs and modifications to the Project and any retirement or disposal of the Project required by any governmental agency having jurisdiction over the Project; (iii) additional fuel inventory or any right thereto for the Project to the extent that sufficient funds are not available therefor in any Fund or Account under the Bond Resolution; and (iv) any amounts relating to the Project which LEPA is required to pay to any third party or parties by reason of any judgment or order of any court, commission, bureau, board or regulatory authority of competent jurisdiction to the extent that sufficient funds are not available therefor in any Fund or Account under the Bond Resolution.

(d) Any such additional Bonds shall be secured by the pledge permitted by the provisions of Section 23 of this Power Sales Contract of the payments required to be made by the Participant under Section 5 of this Power Sales Contract and all other payments attributable to the Project to be made in accordance with or pursuant to any other provision of this Power Sales Contract, as such payments may be increased and extended by reason of the issuance of such additional Bonds, and such additional Bonds may be issued in amounts sufficient to pay the full amount of such costs and to provide such reserves as may be reasonably determined by LEPA to be desirable. Any such additional Bonds issued in accordance with the provisions of the Bond Resolution and this Section 22 and secured by the pledge permitted by the provisions of Section 23 of this Power Sales Contract of payments to be made under this Power Sales Contract may rank *paripassu* as to the security afforded by the provisions of this Power Sales Contract with all Bonds theretofore issued pursuant to the Bond Resolution and secured in accordance with the provisions of this Power Sales Contract.

(e) In the event Monthly Power Costs may be reduced by the refunding of any Bonds then outstanding or in the event it shall otherwise be advantageous, in the opinion of LEPA, to refund any Bonds, LEPA may issue and sell refunding Bonds in accordance with the Bond Resolution to be secured by the pledge made pursuant to the provisions of Section 23 of this Power Sales Contract of the payments required to be made by the Participant under Section 5 of this Power Sales Contract and all other payments attributable to the Project to be made in accordance with or pursuant to any other provision of this Power Sales Contract. Any such refunding Bonds issued in accordance with the provisions of the Bond Resolution and this Section 22 and secured by the pledge of such payments may rank *pari passu* as to the security afforded by the provisions of this Power Sales Contract with all

Bonds theretofore issued pursuant to the Bond Resolution and secured in accordance with the provisions of this Power Sales Contract.

SECTION 23) Pledge of Payments. All of LEPA's rights, title and interest in this Power Sales Contract and all payments required to be made by the Participant pursuant to the provisions of Section 5, and all other payments attributable to the Project to be made in accordance with or pursuant to any other provision of this Power Sales Contract, may be pledged to secure the payment of Bonds.

SECTION 24) Disposition of the Project. Except as provided in this Section 24, LEPA shall not sell or otherwise dispose of any interest in the Project without the consent of all Participants. Subject to the provisions of the Bond Resolution, this Section 24 shall not prohibit a merger or consolidation or sale of all or substantially all of the Project. If the Project shall be terminated within the provisions of the Bond Resolution, LEPA shall use its best efforts to cause the Project to be economically salvaged, discontinued, disposed of or sold in whole or in part. LEPA shall make monthly accounting statements to the Participant of all costs associated therewith. Such monthly accounting statements shall continue until the Project has been salvaged, discontinued or finally disposed of, at which time a final accounting statement with respect thereto shall be made by LEPA at the earliest reasonable time.

SECTION 25) Termination of the Project. Upon the conclusion of the term of this Contract pursuant to Section 2(b) hereof, or a determination by LEPA, in its sole discretion, that the Project is economically obsolete, and provided that no Bonds, Bond Anticipation Notes or Subordinate Indebtedness are then Outstanding (as defined in the Bond Resolution), LEPA shall terminate the Project. The costs of salvage, discontinuance or disposition shall include, but shall not be limited to, all accrued costs and liabilities resulting from the construction, operation (including cost of fuel), maintenance of and renewals and replacements to the Project, including any necessary or desirable environmental remediation. Such final accounting statement shall credit to the Participant, and deduct from any amount otherwise chargeable to it, the fair market value of any assets related to the Project then retained by LEPA. If any such final accounting statement shows that the costs referred to above exceed such credits after application by LEPA of all funds held in the Decommissioning Account created herein or funds available under the Bond Resolution for such purpose, the Participant shall pay LEPA the amount shown to be due in such final accounting statement. If any such final accounting statement shows that the costs referred to above are less than such credits after application by LEPA

of all other available funds held under the Bond Resolution for such purpose, LEPA shall, subject to provisions of the Bond Resolution, pay the Participant, as an adjustment for overpayments of Monthly Power Costs, an amount determined by multiplying the amount of the excess credit by the Participant's Entitlement Share.

SECTION 26) Decommissioning Account. There is hereby created and shall be maintained by LEPA the Decommissioning Account for the sole purpose of paying costs associated with the termination of the Project set forth in Section 25 herein. Commencing with the Project's tenth year of operation, the Decommissioning Account shall be funded as part of the Monthly Power Costs to an amount equal to the cost to decommission the Project less the net salvage value of the Project, as determined by a study conducted by LEPA at such time. LEPA shall fund the required amount in the Decommissioning Account in equal monthly installments to the expected termination date of the Project; provided, however, that the amount to be deposited shall be adjusted to the extent LEPA obtains a subsequent study to determine the cost to decommission the Project, the net salvage value of the Project and the expected termination date of the Project.

SECTION 27) Covenants of the Participant. The Participant covenants and agrees that in accordance with Prudent Utility Practice it shall (i) at all times operate the properties of its Combined Utilities System and the business in connection therewith in an efficient manner and at reasonable cost, (ii) maintain its Combined Utilities System in good repair, working order and condition and (iii) from time to time make all necessary and proper repairs, renewals, replacements, additions, betterments, equipping and furnishing of its Combined Utilities System so that at all times the business carried on in connection therewith shall be properly and advantageously conducted. The Participant covenants and agrees to cooperate with LEPA in the performance of the respective obligations of such Participant and LEPA under this Power Sales Contract and to fix, charge and collect rents, rates, fees and charges for electric power and energy and other services, facilities and commodities, sold, furnished or supplied through its Combined Utilities System sufficient to provide revenues adequate to meet its obligations under this Power Sales Contract and to pay any and all other amounts payable from or constituting a charge and lien upon such revenues, including amounts sufficient to pay the principal of and interest on all revenue bonds of the Participant now outstanding or hereafter issued for purposes related to its Combined Utilities System or any part thereof. Participant agrees to work with LEPA and MISO to put in place any necessary agreements, and provide any information, necessary to permit the Project to qualify as a Generation Resource under the MISO Tariff.

SECTION 28) Event of Default; Remedies. Failure of the Participant to (a) make to LEPA any of the payments when due for which provision is made in this Power Sales Contract, (b) perform any action required to be performed by the Participant in this Power Sales Contract, or (c) comply with any covenant of the Participant required by this Power Sales Contract shall constitute an immediate default on the part of the Participant. Upon any such default by the Participant LEPA may, either at law or in equity, by suit, action, mandamus or other proceedings, enforce and compel the performance of any covenant, agreement or obligation of the Participant under this Power Sales Contract against such Participant. It is expressly provided, however, that LEPA shall take no such action or enforce or attempt to enforce any remedy against the Participant as a result of a failure set forth in subsections (b) or (c) of this Section 28 unless such failure by the Participant is continuing thirty (30) days following written notice from LEPA to the Participant of such failure.

In the event of any default referred to in this Section 28, the Participant shall not be relieved of its liability for payment of the amounts in default and any interest thereon, and LEPA shall have the right to recover from the Participant any amount in default. LEPA may, in its sole discretion and upon five (5) days written notice to the Participant, cease and discontinue providing all or any portion of the Participant's Entitlement Share.

SECTION 29) Transfer of Entitlement Shares Following Default. (a) In the event of a default by the Participant and permanent discontinuance of service pursuant to Section 28 of this Power Sales Contract, LEPA is hereby appointed as agent of the Participant for the purpose of transferring or disposing of the Participant's Entitlement Share and shall first offer to transfer to all other Participants which are not in default a pro rata portion of the defaulting Participant's Entitlement Share which shall have been discontinued by reason of such default. Any part of the Entitlement Share of the Participant which shall be declined by any nondefaulting Participant shall be reoffered pro rata to the nondefaulting Participants which have accepted in full the first such offer. Such reoffering shall be repeated until the Participant's Entitlement Share shall have been reallocated in full or until all nondefaulting Participants shall have declined to take any additional portion of such defaulting Participant's Entitlement Share.

(b) In the event less than all of the defaulting Participant's Entitlement Share shall be accepted pursuant to subsection (a) of this Section 29 by the other Participants which are not in default, LEPA shall use its reasonable best efforts to sell the remaining portion of the defaulting

Participant's Entitlement Share for the remaining term of the defaulting Participant's Power Sales Contract to any person, firm, association or corporation, public or private; provided, however, that LEPA shall make no such sales in such amounts, for such periods of time and under such terms and conditions as will cause the interest on the Bonds to become taxable by the Federal government. The agreement for such sale shall contain such terms and conditions as will not adversely affect the security for the Bonds afforded by this Power Sales Contract of the defaulting Participant, including provisions for discontinuance of service upon default, and as are otherwise acceptable to LEPA. In the event of default and discontinuance of service under such agreement, the Entitlement Share sold pursuant to such agreement shall be offered and transferred as provided for defaulting Participants in this Section 29.

(c) In the event that less than all of the Participant's Entitlement Share upon default shall be accepted pursuant to subsection (a) of this Section 29 by the Participants which are not in default or sold pursuant to subsection (b) of this Section 29, LEPA shall transfer, on a pro rata basis (based on the respective original Entitlement Shares of each of the Participants), to all other Participants which are not in default, the remaining portion of such defaulting Participant's Entitlement Share, subject to the limitation specified in subsection (d) of this Section 29.

(d) Any portion of the Entitlement Share of the defaulting Participant transferred pursuant to this Section 29 to a nondefaulting Participant shall become a part of and shall be added to the Entitlement Share of each transferee Participant, and the transferee Participant shall be obligated to pay for its Entitlement Share, increased as aforesaid, as if the Entitlement Share of the transferee Participant, increased as aforesaid, had been stated originally as the Entitlement Share of the transferee Participant in its Power Sales Contract; provided, however, that in no event shall any transfer of any part of a defaulting Participant's Entitlement Share pursuant to subsection (c) of this Section 29 result in a transferee Participant having an Entitlement Share (including transfers to such transferee Participant pursuant to subsection (a) of this Section) in excess of 125% of its original Entitlement Share.

SECTION 30) Abandonment of Remedy. In case any proceeding taken on account of any default shall have been discontinued or abandoned for any reason, the parties to such proceedings shall be restored to their former positions and rights hereunder, respectively, and all rights, remedies,

powers and duties of LEPA and the Participant shall continue as though no such proceedings had been taken.

SECTION 31) Waiver of Default. Any waiver at any time by either LEPA or the Participant of its rights with respect to any default of the other party hereto, or with respect to any other matter arising in connection with this Power Sales Contract, shall not be a waiver with respect to any subsequent default, right or matter.

SECTION 32) Default by LEPA. In the event of any default by LEPA under any covenant, agreement or obligation of this Power Sales Contract, the Participant's sole remedy for such default shall be limited to mandamus, injunction, action for specific performance or any other available equitable remedy as may be necessary or appropriate.

SECTION 33) Excess Funds. Subject to the provisions of the Bond Resolution, in the event the proceeds derived from the sale of Bonds exceeds in the aggregate the amount of funds required for the purposes specified in this Power Sales Contract for the application thereof, the amount of such excess shall be used to retire, by purchase or redemption, Bonds in the manner permitted under the Bond Resolution.

SECTION 34) Relationship to and Compliance with Other Instruments; Amendments to Bond Resolution. (a) It is recognized by the parties hereto that LEPA, in undertaking or causing to be undertaken, the planning, financing, construction, acquisition, operation and maintenance of the Project, must comply with the requirements of the Bond Resolution and all licenses, permits and regulatory approvals necessary therefor, and it is therefore agreed that this Power Sales Contract is made subject to the terms and provisions of the Bond Resolution and all such licenses, permits and regulatory approvals.

(b) LEPA covenants and agrees to use its best efforts for the benefit of the Participant to comply in all material respects with all terms, conditions and covenants of the Bond Resolution, and all licenses, permits and regulatory approvals relating thereto.

(c) The Participant covenants and agrees to use its best efforts for the benefit of LEPA and the other Participants to fully cooperate with LEPA so that LEPA is able to comply in all material

respects with all terms, conditions and covenants of the Bond Resolution, and all licenses, permits and regulatory approvals relating thereto.

(d) LEPA shall not, without the written consent of the Participant, amend, modify or otherwise change the Bond Resolution, if the amendment, modification or change would materially adversely affect the rights, obligations or interests of the Participant under this Power Sales Contract.

SECTION 35) Approval of Bond Resolution. Prior to the issuance of the first series of Bonds, the governing body of each of the Participants shall approve Resolution No. _____ adopted by LEPA (but excluding all amendments and supplements thereto adopted in accordance with the provisions thereof).

SECTION 36) Measurement of Energy at Source. LEPA will install, maintain and operate the metering equipment, including area interchange metering and telemetering equipment, required to measure the quantities of energy produced and delivered from the Project. LEPA shall have the option of metering at a location other than the Project, in which event the measurements shall be appropriately adjusted for losses. At least once in each Contract Year, LEPA will make or cause to be made such tests and inspections of the meters as may be necessary to maintain them in accordance with Prudent Utility Practice.

SECTION 37) Liability of Parties. LEPA and the Participant shall assume full responsibility and liability for the maintenance and operation of their respective properties and each shall indemnify and save harmless the other from all liability and expense-on account of any and all damages, claims or actions, including injury to or death of persons arising from any act or accident in connection with the installation, presence, maintenance and operation of the property and equipment of the indemnifying party and not caused in whole or in part by the negligence of the other party; provided that any liability which is incurred by LEPA through the operation and maintenance of the Project and not covered, or not covered sufficiently, by insurance, shall be paid solely from the revenues of LEPA, and any payments made by LEPA to satisfy such liability shall become part of Monthly Power Costs.

No officer or director of LEPA, or officer or member of the governing, authority of the Participant, or person or persons acting in their behalf, while acting within the scope of their authority,

shall be subject to any personal liability by reason of the carrying out of any of the provisions of this Power Sales Contract.

SECTION 38) Assignment of Power Sales Contract; Sale of Participant's System. (a) This Power Sales Contract shall inure to the benefit of and shall be binding upon the respective successors and assigns of the parties to this Power Sales Contract; provided, however, that, except as provided in the event of a default and except for the assignment by LEPA authorized hereby, neither this Power Sales Contract nor any interest herein shall be transferred or assigned by either party hereto except with the consent in writing of the other party hereto, which consent shall not be unreasonably withheld. No assignment or transfer of this Power Sales Contract shall relieve the parties of any obligation hereunder.

(b) The Participant acknowledges and agrees that LEPA may assign and pledge to the trustee designated in the Bond Resolution all its right, title and interest in and to all payments to be made to LEPA under the provisions of this Power Sales Contract as security for the payment of the principal (including sinking fund installments) of, premium, if any, and interest on Bonds and, upon the effectiveness of such assignment and pledge, LEPA may grant to such trustee any rights and remedies herein provided to LEPA, and thereupon any reference herein to LEPA shall be deemed, with the necessary changes in detail, to include such trustee which shall be a third party beneficiary of the covenants and agreements of the Participant herein contained.

(c) The Participant agrees that it will not sell, lease or otherwise dispose of all or substantially all of its Combined Utilities System except upon one hundred eighty (180) days prior written notice to LEPA and, in any event, will not sell, lease or otherwise dispose of the same unless the following conditions are met: (1) LEPA and the governing bodies of a majority in number of the other Participants shall by appropriate action determine that such sale, lease or other disposition will not adversely affect the value of this Power Sales Contract as security for the payment of Bonds and interest thereon or affect the eligibility of interest on Bonds for federal tax exempt status; (ii) the Participant shall assign this Power Sales Contract and its rights and interest hereunder to the purchaser or lessee of said Combined Utilities System, and such purchaser or lessee shall assume all obligations of the Participant under this Power Sales Contract; and LEPA shall by appropriate action determine, in its sole discretion, that such sale, lease, abandonment or other disposition will not adversely affect the Participant's ability to meet its obligations under this Power Sales Contract and will

not adversely affect the value of this Power Sales Contract as security for the payment of Bonds and interest thereon or affect the eligibility of interest on Bonds then outstanding or which could be issued in the future for federal tax-exempt status.

SECTION 39) Termination or Amendment of Contract. (a) This Power Sales Contract shall not be terminated by either party under any circumstances, whether based upon the default of the other party under this Power Sales Contract or any other instrument or otherwise except as specifically provided in Section 2 and this Section 39 of this Power Sales Contract.

(b) This Power Sales Contract shall not be amended, modified or otherwise altered in any manner that will adversely affect the security for the Bonds afforded by the provisions of this Power Sales Contract upon which the owners from time to time of the Bonds shall have relied as an inducement to purchase and hold the Bonds. So long as any of the Bonds are outstanding or until adequate provisions for the payment thereof have been made in accordance with the provisions of the Bond Resolution, this Power Sales Contract shall not be amended, modified, or otherwise altered in any manner which will reduce the payments pledged as security for the Bonds or extend the time of such payments provided herein or which will in any manner impair or adversely affect the rights of the owners from time to time of the Bonds.

(c) No Power Sales Contract entered into between LEPA and another Participant may be amended so as to provide terms and conditions different from those herein contained except upon written notice to and written consent or waiver by each of the other Participants, and upon similar amendment being made to the Power Sales Contract of any other Participant requesting such amendment after receipt by such Participant of notice of such amendment.

(d) To the extent that there is a change in law or provision in the MISO Tariff that renders one or more provisions impossible or impractical to perform, LEPA and the Participant agree to negotiate in good faith and amend such provisions to make the minimum changes to this Agreement necessary to make this Agreement capable of being performed and administered while attempting to preserve to the maximum extent possible the benefits, and obligations reflected in this Agreement.

SECTION 40) Opinions of Counsel. (a) Contemporaneously with the execution and delivery of this Power Sales Contract and as a condition to the effectiveness hereof, the Participant is causing

to be delivered to LEPA an opinion of the city attorney or general counsel to the Participant to the effect that (i) the Participant is a political subdivision of the State of Louisiana and is fully authorized and empowered under the laws of the State of Louisiana to enter into the Power Sales Contract and to perform its obligations thereunder, (ii) no consent, order, waiver or any other action by any person, board or body, public or private, is required as of the date hereof for the Participant to enter into the Power Sales Contract and to perform its obligations thereunder, (iii) there is no action, suit or proceeding at law or in equity or by or before any court, administrative agency, governmental instrumentality or other agency pending or, to the best of such counsel's knowledge, threatened against or affecting the Participant or its Combined Utilities System which affects or seeks to prohibit, restrain or enjoin the Participant from entering into or complying with its obligations contained in the Power Sales Contract, including the payment obligations to LEPA contained therein, or in any way affects or questions the validity or enforceability of the Power Sales Contract, or in any way might materially adversely affect the Participant's ability to carry out the transactions contemplated by the Power Sales Contract, (iv) the Power Sales Contract has been duly and validly authorized, executed and delivered by the Participant and constitutes a legal, valid and binding obligation of the Participant enforceable against it in accordance with its terms, except that such enforceability may be limited by applicable bankruptcy, insolvency, reorganization and similar laws of general application relating to the rights and remedies of creditors, (v) the execution and delivery of the Power Sales Contract and compliance by the Participant with its terms will not conflict with or constitute on the part of the Participant a breach of or a default under any existing statute, law, governmental rule, regulation, decree, resolution, ordinance, charter or order, or any agreement, indenture, mortgage, lease or instrument to which the Participant is subject or by which it or its properties are or may be bound, and (vi) such other matters with respect to the Participant, its Combined Utilities System and this Power Sales Contract as LEPA may reasonably request in order to facilitate the sale and issuance of its Bonds on favorable terms.

(b) Contemporaneously with the execution and delivery of this Power Sales Contract and as a condition to the effectiveness hereof, LEPA is causing to be delivered to the Participant an opinion of Patrick M. Wartelle of Leake & Andersson, L.L.P., of Lafayette, Louisiana, to the effect that (i) LEPA is a political subdivision of the State of Louisiana and is fully authorized and empowered under the laws of the State of Louisiana to enter into the Power Sales Contract and to perform its obligations thereunder, (ii) no consent, order, waiver or any other action by any person, board or body, public or private, is required as of the date hereof for LEPA to enter into the Power Sales Contract and to perform its obligations thereunder, (iii) there is no action, suit or proceeding at law or in equity or by or

before any court, administrative agency, governmental instrumentality or other agency pending or, to the best of such counsel's knowledge, threatened against or affecting LEPA which affects or seeks to prohibit, restrain or enjoin LEPA from entering into or complying with its obligations contained in the Power Sales Contract, or in any way affects or questions the validity or enforceability of the Power Sales Contract, or in any way might materially adversely affect LEPA's ability to carry out the transactions contemplated by the Power Sales Contract, (iv) the Power Sales Contract has been duly and validly authorized, executed and delivered by LEPA and constitutes a legal, valid and binding obligation of LEPA enforceable against it in accordance with its terms, except that such enforceability may be limited by applicable bankruptcy, insolvency, reorganization and similar laws of general application relating to the rights and remedies of creditors, and (v) the execution and delivery of the Power Sales Contract and compliance by LEPA with its terms will not conflict with or constitute on the part of LEPA a breach of or a default under any existing statute, law, governmental rule, regulation, decree, resolution, ordinance, charter or order, or any agreement, indenture, mortgage, lease or instrument to which LEPA is subject or by which it or its properties are or may be bound.

SECTION 41) Notice and Computation of Time. Any notice or demand by the Participant to LEPA under this Power Sales Contract shall be deemed properly given if mailed postage prepaid and addressed to LEPA at its principal office. Any notice or demand by LEPA to the Participant under this Power Sales Contract shall be deemed properly given if mailed postage prepaid and addressed to the address of the Participant as set forth in Exhibit D hereto. In computing any period of time from such notice, such period shall commence at noon on the date mailed. The designations of the name and address to which any such notice or demand is directed may be changed at any time and from time to time by either party giving notice as above provided.

SECTION 42) Applicable Law; Construction. This Power Sales Contract is made under and shall be governed by the law of the State of Louisiana. Headings herein are for convenience only and shall not influence the construction hereof.

SECTION 43) Severability. If any section, paragraph, clause or provision of this Power Sales Contract shall be finally adjudicated by a court of competent jurisdiction to be invalid, the remainder of this Power Sales Contract shall remain in full force and effect as though such section, paragraph, clause or provision or any part thereof so adjudicated to be invalid had not been included herein.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK.]

IN WITNESS WHEREOF, the parties hereto have caused this Power Sales Contract to be executed in multiple counterparts by their proper officers respectively, being thereunto duly authorized, and their respective corporate seals to be hereto affixed, as of the day and year first above written.

[SEAL]

LOUISIANA ENERGY AND POWER
AUTHORITY

ATTEST:

By: _____
Title:

By: _____
Title:

[SEAL]

[PARTICIPANT]

ATTEST:

By: _____
Title:

By: _____
Title:

Notary Public

Print Name: _____

Notary I.D./Bar No. (as applicable): _____

_____ Parish, Louisiana

My commission expires: _____

EXHIBIT A

DESCRIPTION OF PROJECT

EXHIBIT B

POINT OF DELIVERY

Town of _____

_____KW _____%

EXHIBIT D

NAMES AND ADDRESSES OF PARTICIPANTS

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EXHIBIT A	Description of the Project
EXHIBIT B	Points of Delivery
EXHIBIT C	Schedule of Participants
EXHIBIT D	Names and Addresses of Participants

Mayor Posey mentioned there are some interesting things going on in the power industry and power generation in reference to this resolution. It is the City's goal to get the most competitive utility rates for our citizens. He stated even though our current contract will not expire for three years we want to leverage our position for future opportunities.

Mr. Bryan Wimberly stated the electrical market and what we have been used to for the last hundred years is changing dramatically this year. What this means for the City is it is going to give us greater opportunities for the City of Natchitoches than we have ever had before. The City is a member of LEPA (Louisiana Energy & Power Association) who is going to build a 64 megawatt generation unit in Morgan City, LA. There is a part of that capacity available to a member city of LEPA. The point of the resolution being passed is from a time situation if this resolution is not passed the City will no longer have the opportunity to fulfill the time obligation necessary to get in on this deal. If passed, this allows this City to look more into what is being offered. Therefore the City can decide to stop it, rescind it, or anything we need to should it be determined at the last minute we are not interested in participating in this contract with LEPA. If passed we can continue the study process and decide if this is something we want to pursue. We have a consulting firm out of Atlanta, GA who is looking over this, as well as other deals to achieve a lower cost for our consumers. This is all a result of the changes and modifications of the electrical system which will give us greater opportunities than we have ever had before.

Ms. Morrow asked what is the reason for selecting LEPA over Constellation and NRG? Mr. Wimberly stated LEPA is the organization we are a part of and they are in the process of building the plant. Constellation and NRG are production facilities that both have power plants and only sell electricity. Therefore, the City cannot buy into any part of their plant and make an investment. LEPA will give us an alternative, that if we have an interest in production somewhere it helps blend the costs that we have.

Ms. Morrow then asked if the city will get a cheaper rate through LEPA? Mr. Wimberly stated we are hoping for an overall cheaper rate. For clarification, this is only a small part of the load for the City of Natchitoches we would have. At maximum it would be 14 megawatts and we currently know there is a slot available for 8 megawatts. There are three other LEPA cities' dealing with 4 megawatts and it is not determined if they will exercise their option or not. We would need other contracts for electricity because right now we are paying a ratchet demand on 68 megawatts and considering we never turn down below 45 megawatts. Therefore, we will need multiple contracts to achieve this.

Mr. Payne asked, presently do we own our transmission lines? Mr. Wimberly stated CLECO owns both transmission lines coming into our metering points. Mr. Payne asked, if we get into this deal, will we pay them fees for transmitting the cheaper electrical cost and will the savings be enough to offset what we pay in trucking fees? Mr. Wimberly stated we will pay them fees and feel that the savings will be enough.

Mr. Wimberly stated we are going through the same struggle as other cities. Do we buy what is on the market or hedge against that by having more control in the market?

Mr. Payne asked what the time frame for the new plant would be? Mr. Wimberly stated the new plant would not come online until the end of summer 2015. The plant is not built yet, however, we are going to bring you something else we are looking at in a plant that is already built and operating now. This is not the last time you will hear about this, but we are going to bring several things to the table and look at each option.

Mr. Mims stated there will be a public hearing on May 13, 2013 where there will be more information on this particular Power Sales Contract. Mr. Wimberly stated there will be reports

from the consultant and by this time we will have had the opportunity to look at other deals and weigh the benefits of all of our options.

David Stamey asked is the reason we have the opportunity to reach out and get other longer distance possibilities due to the deregulation and is this deregulation putting us in the position to bring lower utility rates to our citizens. Mr. Wimberly stated due to future changes the generators will put the electricity in and the user will take the electricity out. We will no longer be tied to a set of wires which dictate the price. Where restrictions before dictated moving electricity, now the market dictates where you can move electricity back and forth.

The Mayor once again stated this resolution is just to leverage our position until more information can be given and a decision can be made that will benefit our community.

The following Resolution was introduced by Mr. Payne and Seconded by Mr. Stamey as follows, to –wit:

RESOLUTION NO. 012 OF 2013

A RESOLUTION TO APPOINT BILL ALLEN TO FILL THE UNEXPIRED TERM OF SAM FOWLER AS COMMISSIONER ON THE NATCHITOCHE PARISH PORT COMMISSION FOR THE CITY OF NATCHITOCHE

WHEREAS, due to the recent death of Sam Fowler as commissioner of the Natchitoches Parish Port Commission, the unexpired term will need to be filled; and

WHEREAS, Mr. Fowler’s six-year term on the commission commenced October 12, 2012 and was scheduled to end October 12, 2018; and

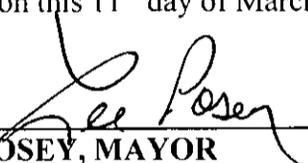
WHEREAS, The Natchitoches City Council wishes to appoint **Bill Allen** to fill Mr. Fowler’s remaining term on the port commission; and

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Natchitoches does, in legal session convened, hereby appoint **Bill Allen** as a commissioner of the Natchitoches Parish Port Commission beginning immediately and ending October 12, 2018.

This Resolution was then presented for a vote, and the vote was recorded as follows:

AYES: Payne, Nielsen, Mims, Stamey, Morrow
NAYS: None
ABSENT: None
ABSTAIN: None

THEREUPON, Mayor Lee Posey declared the Resolution passed by a vote of 5 Ayes to 0 Nays on this 11th day of March, 2013.



LEE POSEY, MAYOR

**CITY OF NATCHITOCHEES
GENERAL FUND BUDGET REPORT
AS OF JANUARY 2013**

	CURRENT MONTH				YEAR TO DATE			
	TOTAL BUDGET 12/13FY	MONTHLY BUDGET *1	ACTUAL	(OVER) UNDER BUDGET	YTD ACTUAL	ENCUM- BRANCES	UNREALIZED AVAILABLE BALANCE	PERCENT RECEIVED/ EXPENSED
REVENUE	14,486,378	1,207,198	1,604,612	397,414.11	8,259,261		6,227,117	57.01%
EXPENDITURES								
DEPARTMENT:								
CITY HALL / FINANCE	538,096	44,841	38,573	6,268.42	313,667	375	224,054	58.36%
COMMUNITY DEVELOPMENT	691,210	57,601	51,710	5,890.92	401,302	18,266	271,642	60.70%
PLANNING & ZONING	244,159	20,347	16,152	4,195.06	133,074	85	111,000	54.54%
FIRE DEPARTMENT	2,962,610	246,884	268,348	(21,463.41)	1,884,930	4,426	1,073,254	63.77%
POLICE DEPARTMENT	4,415,279	367,940	349,700	18,240.08	2,820,234	3,264	1,591,781	63.95%
ANIMAL SHELTER	152,001	12,667	13,502	(835.52)	98,712	115	53,175	65.02%
PURCHASING	333,251	27,771	21,946	5,824.46	191,175	197	141,879	57.43%
CITY GARAGE	230,807	19,234	36,874	(17,639.58)	159,780	4,177	66,849	71.04%
RECREATION *2	870,369	72,531	54,785	17,745.89	551,670	5,470	313,230	64.01%
PUBLIC WORKS	1,434,011	119,501	110,706	8,795.25	925,404	11,878	496,728	65.36%
INDIRECT EXPENSE	2,397,163	199,764	103,762	96,002.08	1,416,942	35,600	944,621	60.59%
PROGRAMMING & PROMOTIONS	217,422	18,119	14,978	3,140.96	126,587	20,342	70,493	67.58%
TOTAL GENERAL FUND	14,486,378	1,207,198	1,081,034	126,164.61	9,023,477	104,195	5,358,706	63.01%

FOOTNOTES:

1 - 1/12th OF TOTAL BUDGET

2 - SEASONAL ACTIVITY

6 BUDGET YEAR ELAPSED 67%

6 BUDGET EXPENDED 63%

**CITY OF NATCHITOCHEES
UTILITY (PROPRIETARY) FUND BUDGET REPORT
AS OF JANUARY 31, 2013**

	CURRENT MONTH				YEAR TO DATE			
	TOTAL BUDGET 12/13 FY	MONTHLY BUDGET *1	ACTUAL	(OVER) UNDER BUDGET	YTD ACTUAL	ENCUM- BRANCES	UNREALIZED / AVAILABLE BALANCE	PERCENT RECEIVED/ EXPENSED
REVENUE	40,687,097	3,390,591	2,493,657	(896,934)	23,018,227		17,668,870	56.57%
EXPENDITURES								
DEPARTMENT:								
UTILITY ADMINISTRATION	298,841	24,903	28,238	(3,334)	202,589	2,132	94,120	68.51%
WATER	2,056,551	171,379	217,872	(46,493)	1,513,994	41,962	500,595	75.66%
SEWER	1,535,476	127,956	168,307	(40,351)	1,032,011	123,874	379,591	75.28%
ELECTRIC	27,051,283	2,254,274	1,431,387	822,886	12,988,310	63,564	13,999,409	48.25%
UTILITY BILLING	611,633	50,969	39,739	11,230	340,929	1,187	269,517	55.93%
INFORMATION TECH	325,453	27,121	25,619	1,502	197,904	3,999	123,550	62.04%
INDIRECT	8,807,860	733,988	459,975	274,013	5,514,436	352	3,293,073	62.61%
TOTAL UTILITY FUND	40,687,097	3,390,591	2,371,139	1,019,453	21,790,173	237,071	18,659,853	54.14%

FOOTNOTES:

*1 - 1/12th OF TOTAL BUDGET

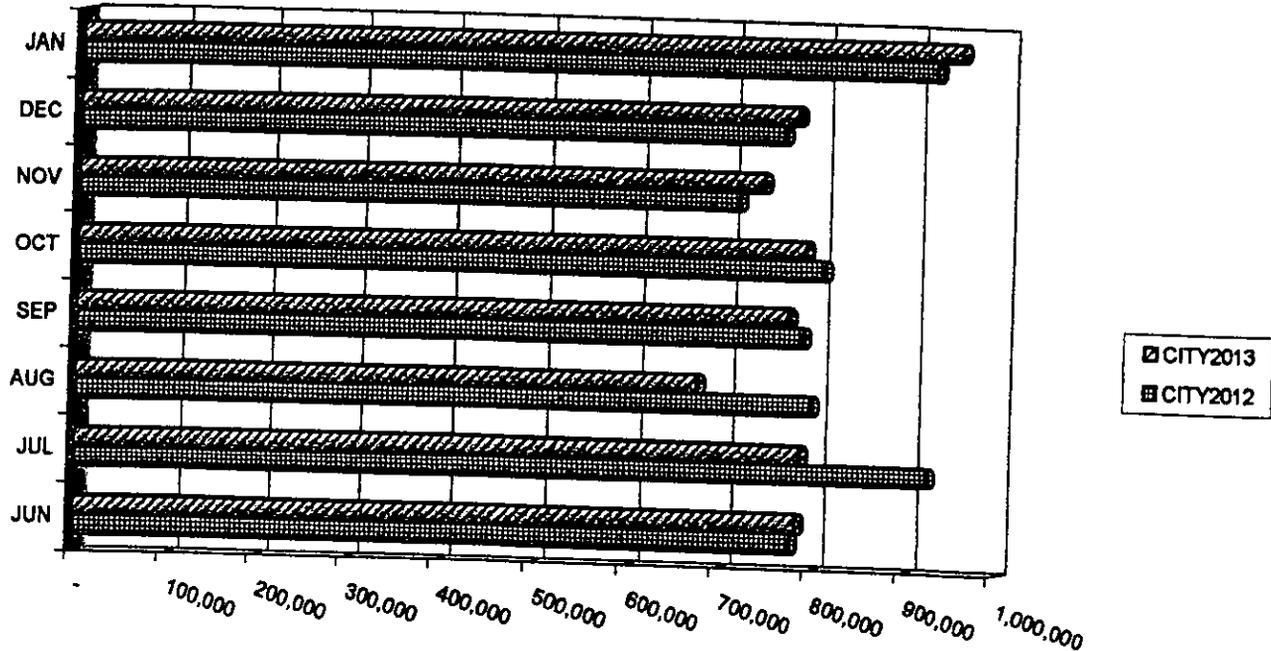
% BUDGET YEAR ELAPSED

67%

% BUDGET EXPENDED

54%

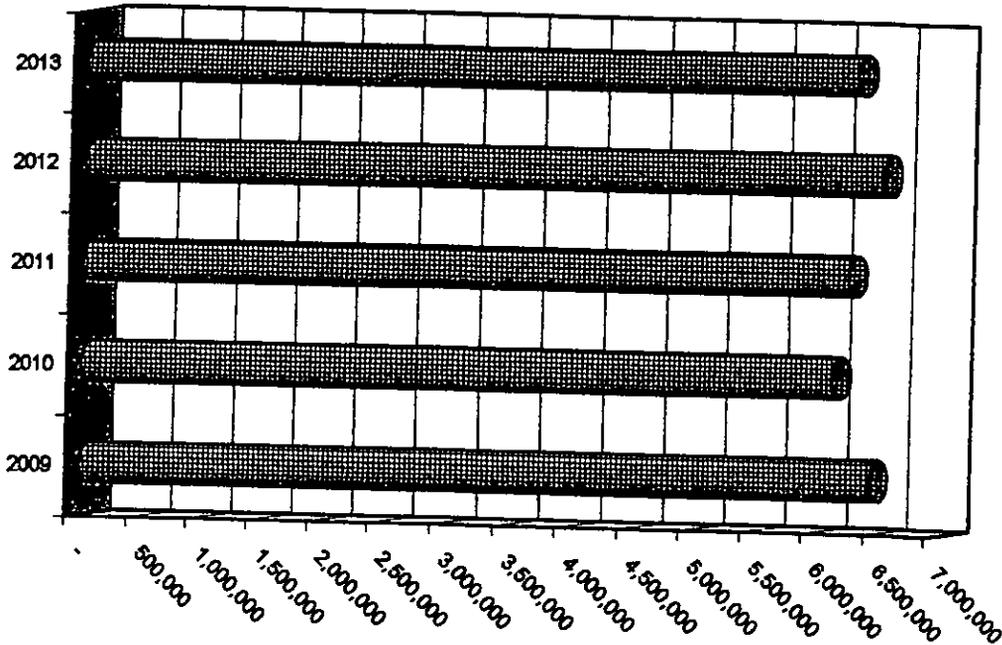
CITY OF NATCHITOCHEs FISCAL YEAR SALES TAX COLLECTIONS



REVENUE BY MONTHS

PERIOD	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	DIFF 12/13	DIFF %
JUN	821,444	754,700	745,293	778,326	784,706	6,380	0.82%
JUL	841,099	805,871	833,927	925,940	787,124	(138,816)	-14.99%
AUG	758,211	723,797	747,034	799,473	675,717	(123,756)	-15.48%
SEP	791,864	741,017	739,153	788,812	773,754	(15,058)	-1.91%
OCT	818,505	733,485	790,155	811,193	791,074	(20,119)	-2.48%
NOV	736,909	692,841	727,106	717,075	743,816	26,741	3.73%
DEC	743,169	750,875	749,143	765,125	780,648	15,523	2.03%
JAN	916,623	918,121	904,603	929,669	955,479	25,810	2.78%

CITY OF NATCHITOCHEs FISCAL YEAR SALES TAX COLLECTIONS



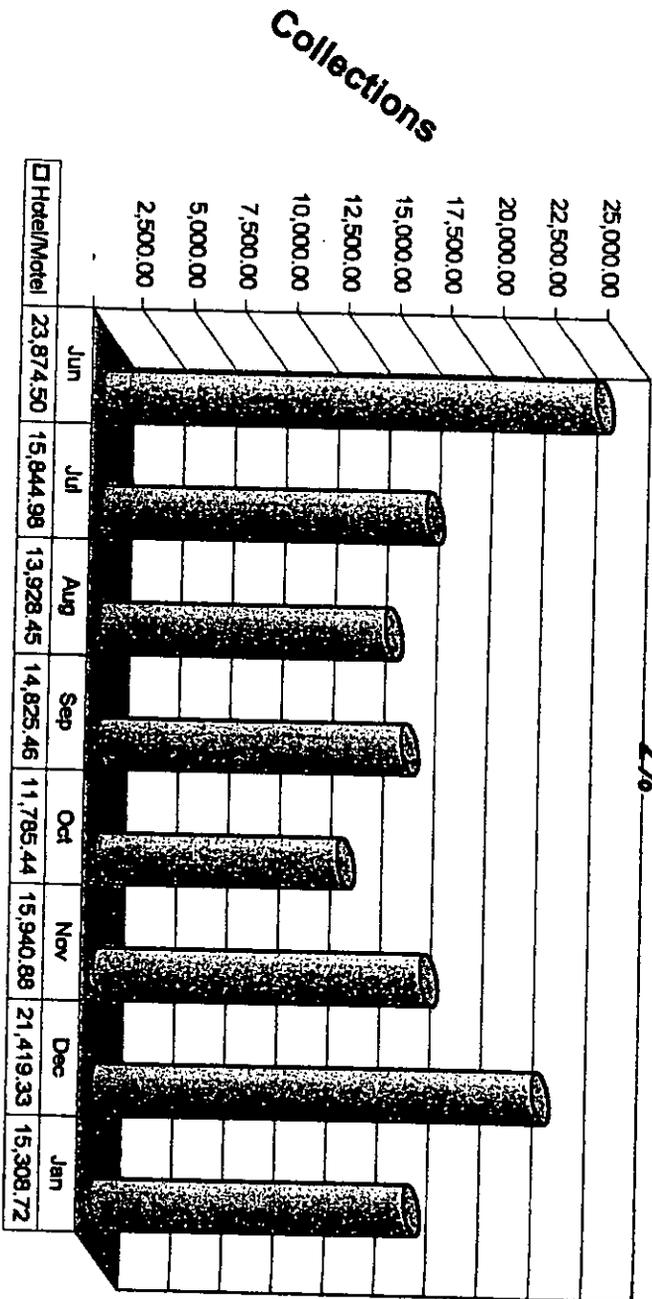
REVENUE YEAR TO DATE

PERIOD	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	DIFF 12/13	DIFF %
JUN	821,444	754,700	745,293	778,326	784,706	6,380	0.82%
JUL	1,662,543	1,560,571	1,579,220	1,704,266	1,571,830	(132,436)	-7.77%
AUG	2,420,754	2,284,368	2,326,254	2,503,739	2,247,547	(256,192)	-10.23%
SEP	3,212,618	3,025,385	3,065,407	3,292,551	3,021,301	(271,250)	-8.24%
OCT	4,031,123	3,758,870	3,855,562	4,103,744	3,812,375	(291,369)	-7.10%
NOV	4,768,032	4,451,711	4,582,668	4,820,819	4,556,191	(264,628)	-5.49%
DEC	5,511,201	5,202,586	5,331,811	5,585,944	5,336,839	(249,105)	-4.46%
JAN	6,427,824	6,120,707	6,236,414	6,515,613	6,292,318	(223,295)	-3.43%

City of Natchitoches TIF

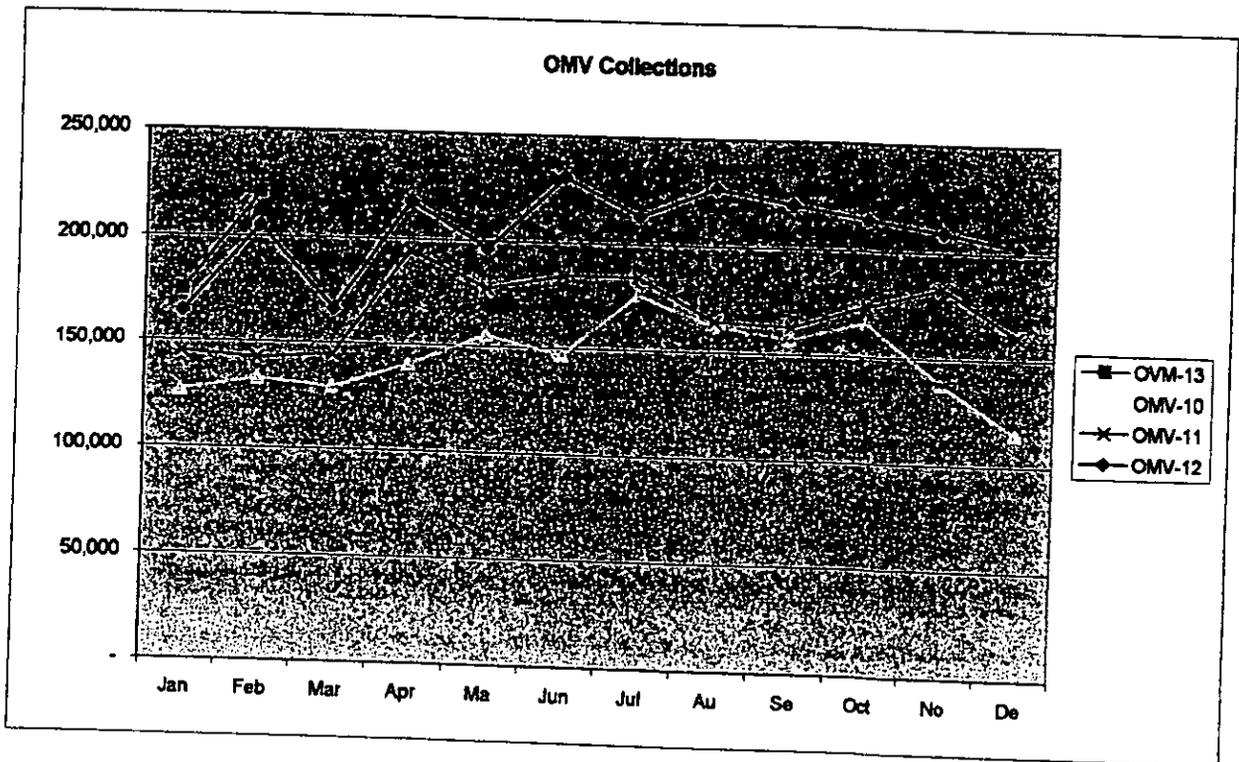
2012-2013
Hotel/Motel Tax

2%



**Natchitoches Tax Commission
LA Department of Motor Vehicles Sales**

Month/ Year	2009	2010	2011	2012	2013	13 vs 12
Jan	126,616.65	145,283.06	168,051.63	164,467.36	174,514.52	6.11%
Feb	132,533.23	142,482.09	173,570.53	205,177.33	220,905.99	7.67%
Mar	129,201.16	144,772.00	157,817.67	166,324.69	-	-
Apr	140,633.11	194,621.00	239,582.86	217,732.82	-	-
May	155,345.08	177,689.00	190,980.40	196,385.55	-	-
Jun	146,560.54	184,623.00	192,184.32	230,945.64	-	-
Jul	176,221.17	184,621.89	217,528.02	213,497.75	-	-
Aug	162,474.98	164,616.09	177,404.48	227,231.78	-	-
Sep	156,865.17	162,969.93	193,381.54	220,368.79	-	-
Oct	166,099.20	173,620.93	179,172.54	214,695.08	-	-
Nov	137,831.55	183,071.31	165,928.76	209,191.64	-	-
Dec	114,885.57	160,468.75	186,507.49	202,412.94	-	-
Totals	\$ 1,745,267.39	\$ 2,018,839.05	\$ 2,242,110.24	\$ 2,468,411.37	\$ 385,420.51	



Mr. Pat Jones next presented the Financial Report. Mr. Jones directed the Council to the Budget Report. Mr. Jones stated in reference to the General Fund Budget we are at the end of January which 67% of the year elapsed and expenditures are at 63.01% total for the general fund putting us on target. Revenues are at 57.01%, but of course some taxes are not in this total yet so we are still in good shape. Utility Fund Budget revenues are at 56.57% and expenditures at 54.14%. Sales Tax Collections, for the month of January are at a 2.78% increase from last January, with a revenue year to date of -3.43 % at the end of January compared to last fiscal year at this time. As numbers are still a little down, we are watching our expenditures. Each month continues to increase and beginning to put us back on target. Based on the TIF Revenue collected there is no comparative data because this is the first fiscal year that we have had it, but December was up higher than November and January slightly back down. This is due to the Christmas season and all the tourists in our hotels during that time. Department of Motor Vehicle Sales for January were up 6.11% and February was up 7.67% above the previous calendar year. Mr. Jones had no exceptions or problems to report at this time. All department heads are working close to stay within their budgets. They are currently preparing the 2013-2014 Fiscal Year Budget to be presented at the end of the month. Mayor Posey commended the Department Heads for working together in order to work within the budget for the upcoming year.

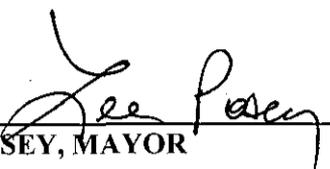
Mayor Posey then announced the offices of the city would be closed on Friday, March 29, 2013 for Good Friday.

Ms. Morrow announced there would be an Economic Development Summit at the Martin Luther King Recreation Center on March 15, 2013 at 6p.m. We have invited the area businesses to attend and are inviting everyone to come out. There will be various brochures, job information, refreshments, and awards available to those who attend.

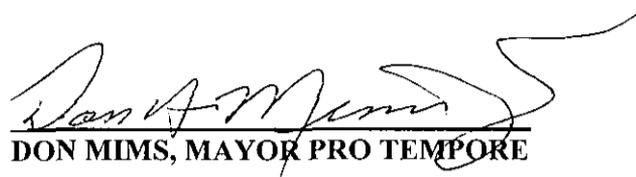
Ms. Morrow asked Attorney Corkern to give an update on the situation at the Charles Seaman Mobile Home Park. Ms. Morrow asked for clarification for the public that the members of the City Council have not been involved in the tenants being asked to vacate the mobile home park. Mr. Corkern stated through efforts of the City Council with Mr. Seaman he has agreed to allow the tenants to stay there until June 30th. There is nothing the City can do legally to enforce that agreement with Mr. Seaman because the mobile home park is a private entity. Therefore, the City cannot tell anyone to leave, nor can they require Mr. Seaman to allow anyone to stay. Ms. Morrow then asked Mrs. Fowler if she had issued anything lately from her office about a housing complex development in that area. Mrs. Fowler stated nothing had been sent out from the Planning and Zoning Office.

Ms. Precious Barber approached the podium and directed a question to Attorney Corkern. Ms. Barber asked, if the mobile home park would not have been annexed in by the City, would Mr. Charles Seaman have been responsible for bringing the mobile home park up to the standards of the City? Mr. Corkern stated this is a state issue, therefore, regardless of whether the property was annexed into the City or not, Mr. Seaman would have still been responsible for making the necessary upgrades. As long as the property was annexed into the City, Mr. Seaman had to make other upgrades, but in reference to the water and sewage this is a state issue. Ms. Barber stated if the property would have never been annexed into the City, Mr. Seaman would not have had to make repairs to the property. Mr. Corkern stated even if he did not have to meet the City standards he would still have to meet the state standards which he cannot meet unless he made some improvements, which he did not make or was unwilling to make from an economic standpoint. The result would have been the same whether the property was annexed into the city or not. The individuals would still be required to leave and maybe at an earlier date before June 30th, but the City Council went to Mr. Seaman and requested additional time. The meeting continued with various comments from The Mayor, Precious Barber, Councilwomen Sylvia Morrow and Councilmen Don Mims, after a short period of time the meeting was adjourned.

With no further discussion, the Mayor made a motion for adjournment and all were in favor.
The meeting was adjourned at 6:11 p.m.



LEE POSEY, MAYOR



DON MIMS, MAYOR PRO TEMPORE