

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. The City Council Meetings are held at the Natchitoches Arts Center located at 716 Second Street, Natchitoches, Louisiana.

NATCHITOCHEs CITY COUNCIL MEETING
JUNE 24, 2013
5:30 P.M.

A G E N D A

1. CALL TO ORDER
2. INVOCATION
3. PLEDGE OF ALLEGIANCE
4. READING AND APPROVAL OF THE MINUTES OF JUNE 10, 2013
5. **SPECIAL RECOGNITION:** NSU Track Team – All American Honors at the NCAA Track and Field Championships in Eugene Oregon:
Gabriel White, Hanoj Carter, Kendal Taylor, Justin Walker, Janae Allen
6. **PLANNING & ZONING – FINAL:** **WITHDRAW- Per letter from Robert Salim**
 - #023** Morrow Ordinance Amending Ordinance No. 64 Of 2001 By Changing Zoning Classification Of Property Described As Follows: 5.20 AC – Being Tract “1” In Section 46, Township 9 North Range 7 West, Lying On The South Side Of Dean Street And Being Part Of July Spring Tract, As Shown On A Plat In Conveyance Book 507, Page 558 B-1 Commercial To B-3 Commercial (**Lot On Dean Street**)
 - #028** Payne Ordinance Amending Ordinance No. 64 of 2001 By Changing Zoning Classification Of Property Described As Follows: Lot West Side Williams Ave., Having Front of 218.39 Feet, Bound North By City Property & South By Dowden from R-1 to R-1 Special Exception to Operate a Bed & Breakfast (**630 Williams Ave.**)
7. **ORDINANCES – INTRODUCTION:**
 - #029** Stamey Ordinance Authorizing The Mayor Of The City Of Natchitoches To Award The Bid For Christmas Lighting Supplies (**Bid No. 0538**)
 - #030** Nielsen Ordinance Providing For The Issuance Of Utilities Revenue Refunding Bonds, Series 2013, Of The City Of Natchitoches, State Of Louisiana; prescribing The Form, Fixing The Details And Providing For The Payment Of Principal Of And Interest On Said Bonds And For The Rights Of The Owners Thereof, Providing For Other Matters In Connection Therewith

8. **ORDINANCE – FINAL:**

#027 Mims Ordinance Authorizing The Mayor Of The City Of Natchitoches To Award The Bid For The Water System Improvements Grand Ecore Elevated Tank Repainting (Bid No. 0537)

9. **RESOLUTIONS:**

#039 Stamey Resolution Authorizing The Mayor To Enter Into A Contract With Arthur J. Gallagher Risk Management Services For The One Beacon Insurance Group Casualty Package Insurance Renewal Effective June 30, 2013 Through June 30, 2014

#040 Morrow Resolution Authorizing The Mayor To Enter Into A Contract With Arthur J. Gallagher Risk Management Services For The Tenant User Liability Insurance Policy For The Natchitoches Events Center And Beau Jardin For The City of Natchitoches

#041 Payne Resolution Authorizing The Mayor To Re-Apply With The State Of Louisiana For Inclusion In The Federal Storm Water Discharge Permit

#042 Nielsen Resolution Authorizing The Mayor Of The City Of Natchitoches, Lee Posey, To Enter Into A General Services Agreement With Airport Development Group

#043 Stamey Resolution Authorizing The Mayor To Enter Into A Maintenance Agreement, Including Mowing And Litter Pickup, With The State Of Louisiana, Department Of Transportation And Development, Office Of Engineering For The Period Of July 1, 2013 Through June 30, 2014

#044 Mims Resolution Authorizing The Mayor To Execute Change Order No. 1 - Final To The Water System Improvements Pilgrim's Pride Elevated Water Tank Repainting (Bid No. 0530)

#045 Morrow Resolution Authorizing The Execution Of The Certificate Of Substantial Completion For The Water System Improvements, Pilgrim's Pride Elevated Tank Repainting (Bid No. 0530)

#046 Nielsen Resolution Authorizing Mayor Lee Posey To Execute An Agreement With The Louisiana Office Of Community Development For The FY 2013 Street Improvements And To Adopt The Plans, Policies, Appointments and Authorization Of Individuals For Compliance With The Louisiana Community Development Block Grant (LCDBG) Regulations For The FY 2013

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

11. **ANNOUNCEMENTS:** The Offices of the City of Natchitoches will be **CLOSED** Thursday, July 4, 2013 in honor of Independence Day

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, JUNE 24, 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, June 24, 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: NSU Track Team – Gabriel White, Hanoj Carter, Kendal Taylor & Justin Walker

Absent: None

Mayor Lee Posey called the meeting to order and welcomed everyone for coming. Steve Braxton was asked to lead the invocation and Mr. Payne was asked to lead the pledge of allegiance.

Mayor Posey then called for the reading and approval of the minutes for the June 10, 2013 meeting. Mr. Mims moved that we dispense with the reading of the minutes and approval of same. Seconded by Mr. Payne. The roll call vote was as follows:

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

Mayor Posey then recognized members of the NSU Track Team for receiving All American Honors at the NCAA Track and Field Championships in Eugene, Oregon. Coach Mike Heimermann accepted a certificate on behalf of Janae Allen for receiving honors in the discus. Hanoj Carter, Kendal Taylor, Justin Walker, and Gabriel White were each presented a certificate for receiving honors in the 4x100 meter relay. Coach Heimermann then thanked the City for acknowledging the students as it is an honor to be considered an All American. For the students to even qualify is quite an accomplishment; and they represented Natchitoches and Northwestern State University very well. Mayor Posey then thanked Coach Heimermann along with Coach Johnson for having a remarkable track program at NSU that the community is proud of.

The following Ordinance was withdrawn at the Natchitoches City Council meeting held on June 24, 2013.

ORDINANCE NO. 023 OF 2013

AN ORDINANCE AMENDING ORDINANCE NO. 64 OF 2001 BY CHANGING ZONING CLASSIFICATION OF PROPERTY DESCRIBED AS FOLLOWS:

5.20 AC – BEING TRACT “1” IN SECTION 46, TOWNSHIP 9 NORTH RANGE 7 WEST, LYING ON THE SOUTH SIDE OF DEAN STREET AND BEING PART OF JULY SPRING TRACT, AS SHOWN ON A PLAT IN CONVEYANCE BOOK 507, PAGE 558 B-1 COMMERCIAL TO B-3 COMMERCIAL. (LOT ON DEAN STREET)

(LOT ON DEAN STREET)

WHEREAS, the Planning Commission of the City of Natchitoches, State of Louisiana, has recommended at their meeting of May 7, 2013 that the request of Robert Salim to rezone the property described above from **B-1** to **B-3**, to construct a veterinary clinic, be **DENIED**.

THIS ORDINANCE was introduced on May 13, 2013 and published in the *Natchitoches Times* on May 18, 2013 and **tabled** at the May 28, 2013 City Council meeting.

Robert L. Salim

ATTORNEY AT LAW
1901 Texas Street
Natchitoches, LA 71457

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Fax: (318) 352-5998

E-mail: skeeter@cp-tel.net

June 24, 2013

Honorable Lee Posey, Mayor
Members of the City Council
700 Second Street
Natchitoches, Louisiana 71458

Re: Re-zoning of property on Dean Street

Dear Mayor Posey and Council Member,

This letter is presented, at my behest, by Mr. David Stamey. I am writing to notify you of my withdrawal of the zoning request for a veterinarian hospital on Sibley Lake. The facility would have provided a high caliber of animal health care, along with much needed revenues, to Natchitoches. This withdrawal is based on moral integrity; mine. I refuse to interact with a specious City Council whose modus operindi are corrupt, dishonest and disingenuous.

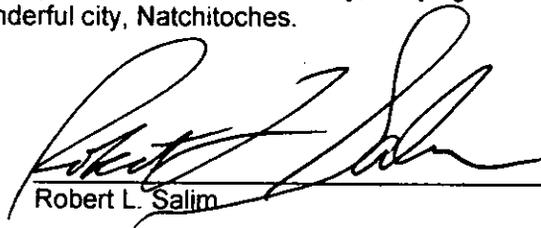
Councilmen Mims and Nielson were consulted about their opinions on the zoning request. They were clear in their support for what they referred to, to paraphrase, as a wonderful project, which would provide the latest in diagnostic equipment, and indoor climate controlled boarding facilities. Shortly thereafter, Mims and Nielson appeared, unexpectedly, in my office to inform me of their sudden about face. They stated that the project was great, but they couldn't, as career politicians, support the requisite zoning with their vote, because they felt it would negatively impact their chances for reelection.

I don't share any of his views, and frankly, I found them deplorable. I love animals and believe they should be treated humanely, and with compassion. I am appalled by the behavior, avarice and ignorance of these Council members.

I have spent my entire life in the Natchitoches community, working towards making Natchitoches a better place to live, and a better place to hand to our children, our youth. I have been involved in youth sports and supported activities through many community based athletic groups and churches, for fifty years. I have served on the Civil Service board, I am a past president of Natchitoches baseball, and have been happy to contribute, generously, to NSU and Natchitoches, for many decades. My dedication, time and energy have been given to children and affiliations without any consideration of "color." Yet, no good deed goes unpunished. Suddenly, allegations of racism have been hurled at me. The timing is most interesting.

I advise you to get the facts. Speak to Reverend Means, Joella Wilson, Ralph Wilson, Robert Jackson, Chris Paige, Jenny Bloodworth, Harry Graham, the Armstrong family and a thousand other black families in our community before you dare call me a racist again.

In closing, I appreciate your help, Mr. Mayor, and that of Mr. Stamey, in trying to bring revenue and increased veterinarian facilities to our wonderful city, Natchitoches.



Robert L. Salim

Mayor Posey informed the audience Mr. Robert Salim had sent in a letter today prior to the meeting. The letter stated Mr. Salim would be withdrawing his zoning request for a veterinary hospital on Sibley Lake. Mayor Posey then stated the community stood up for what was best for their community and although the process was time consuming they protected the community.

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

ORDINANCE NO. 028 OF 2013

AN ORDINANCE AMENDING ORDINANCE NO. 64 OF 2001 BY CHANGING ZONING CLASSIFICATION OF PROPERTY DESCRIBED AS FOLLOWS:

LOT WEST SIDE WILLIAMS AVE., HAVING FRONT OF 218.39 FEET, BOUND NORTH BY CITY PROPERTY & SOUTH BY DOWDEN FROM R-1 TO R-1 SPECIAL EXCEPTION TO OPERATE A BED & BREAKFAST.

(630 WILLIAMS AVE.)

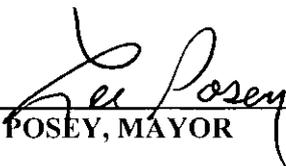
WHEREAS, the Planning Commission of the City of Natchitoches, State of Louisiana, has recommended at their meeting of June 4, 2013 that the request of Dr. David A. & Maria Lee to rezone the property described above from **R-1** to **R-1**, Special Exception to operate a Bed & Breakfast be **APPROVED**.

THIS ORDINANCE was introduced on June 10, 2013 and published in the Natchitoches Times on June 15, 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 24th day of June, 2013.



LEE POSEY, MAYOR



DON MIMS, MAYOR PRO TEMPORE

Delivered to the Mayor on the 25th day of June, 2013 at 10:00 A.M.

The following Ordinance was Introduced by Mr. Stamey at the Natchitoches City Council meeting held on June 24, 2013 as follows:

ORDINANCE NO. 029 OF 2013

**ORDINANCE AUTHORIZING THE MAYOR OF
THE CITY OF NATCHITOCHEs TO AWARD THE BID
FOR CHRISTMAS LIGHTING SUPPLIES**

(BID NO. 0538)

WHEREAS, Resolution No. 023 of 2013 was passed by the Natchitoches City Council on May 13, 2013 authorizing the Mayor to advertise for bids for the Christmas Lighting Supplies (Bid No. 0538).

WHEREAS, this bid was advertised in the *Natchitoches Times* on May 18, May 25, and June 11, 2013 in accordance with law; and

WHEREAS, one bid proposal was received as follows:

- 1) Dean Nida & Associates, LLC
Columbus, OH\$109,413.15

WHEREAS, on June 10, 2013, the appointed committee of Pat Jones, Director of Finance; Edd Lee, Director of Purchasing; David Stamey, Councilman; and Bryan Wimberly, Director of Utilities reviewed the bid proposals for the purchase of Christmas Lighting Supplies (Bid No. 0538).

WHEREAS, the above appointed committee members unanimously recommend the City award the bid to the lowest bidder, Dean Nida & Associated, LLC, of Columbus, OH in the amount of **\$109,413.15**.

NOW, THEREFORE, BE IT RESOLVED that the Honorable Lee Posey, Mayor, is hereby authorized, empowered and directed to sign any and all documents necessary for acceptance of this bid.



CITY OF NATCHITOCHES
PURCHASING DEPARTMENT

June 13, 2013

Mayor Lee Posey
City Hall
Natchitoches, LA 71457

Re: Bid number 0538 – Christmas Lighting Supplies

Dear Mayor Posey,

The appointed committee of Pat Jones, Edd Lee, David Stamey and Bryan Wimberly has reviewed the bid proposal for the purchase of Christmas Lighting Supplies.

The committee was unanimous in its decision to award the bid to the low bidder, Dean Nida & Associates, LLC, Columbus, OH in the amount of \$109,413.15. The bid from Dean Nida was the only bid received.

All bids are kept at the City Purchasing Department, 1400 Sabine Street, Natchitoches, LA 71457. Anyone desiring to view the bids may do so at that location.

We request ratification of this award at the next meeting of the City Council on June 24, 2013.

Very truly yours,

David Stamey
Councilman Dist # 1

Pat Jones
Director of Finance

Bryan Wimberly
Director of Utilities

Edd Lee
Director of Purchasing

The following Ordinance was Introduced by Mr. Nielsen at the Natchitoches City Council meeting held on June 24, 2013 as follows:

ORDINANCE NO. 030 OF 2013

An ordinance providing for the issuance of Utilities Revenue Refunding Bonds, Series 2013, of the City of Natchitoches, State of Louisiana; prescribing the form, fixing the details and providing for the payment of principal of and interest on said bonds and for the rights of the owners thereof, providing for the call and redemption of the outstanding bonds; and providing for other matters in connection therewith.

WHEREAS, the City of Natchitoches, State of Louisiana (the "Issuer") now owns and operates a combined waterworks plant and system, electric power and light plant and system, and sewer utility system as a combined revenue producing public utility (the "Utilities System"); and

WHEREAS, it is now the desire of this City Council to adopt this Bond Ordinance in order to provide for the issuance of One Million Two Hundred Forty-Five Thousand Dollars (\$1,245,000) of Utilities Revenue Refunding Bonds, Series 2013, for the purpose of refunding the outstanding (i) Utilities Revenue Bonds, Series 1999, maturing December 1, 2013 to December 1, 2019, inclusive (the "Series 1999 Bonds"); and (ii) Utilities Revenue Bonds, Series 2003A, maturing December 1, 2013 to December 1, 2022, inclusive (the "Series 2003A Bonds") (collectively, the "Refunded Bonds"), pursuant to the provisions of Chapter 14-A of Title 39 of the Louisiana Revised Statutes of 1950, as amended; and

WHEREAS, the Issuer will have outstanding on the date of delivery, the following described Utilities Revenue Bonds:

\$620,000 of Utilities Revenue Refunding Bonds, Series 2003B, maturing on December 1, 2013, bearing interest at the rate of 4.30% per annum, and being the outstanding bonds of an issue of Two Million Dollars (\$2,000,000), and issued by virtue of an ordinance adopted by the City Council on August 20, 2003, payable from a pledge and dedication of the income and revenues of the Utilities System (the "Series 2003B Bonds");

\$921,000 of Utilities Revenue Bonds, Series 2009A, maturing on December 1, 2013 to December 1, 2030, inclusive, bearing interest at the rate of 2.95% per annum, and being the outstanding bonds of an issue of Two Million Dollars (\$2,000,000), and issued by virtue of an ordinance adopted by the City Council on August 10, 2009, payable from a pledge and dedication of the income and revenues of the Utilities System (the "Series 2009A Bonds"); and

\$2,761,000 of Utilities Revenue Bonds, Series 2009B, maturing on December 1, 2013 to December 1, 2030, inclusive, bearing interest at the rate of 2.95% per annum, and being the outstanding bonds of an issue of Three Million Dollars (\$3,000,000), and issued by virtue of an ordinance adopted by the City Council on August 10, 2009, payable from a pledge and dedication of the income and revenues of the Utilities System (the "Series 2009B Bonds") (collectively, the "Parity Bonds"); and

WHEREAS, this City Council wishes to refund and defease the Refunded Bonds described above; and

WHEREAS, under the terms and conditions of the Parity Bond Ordinances (hereinafter defined), the Issuer has authority to issue additional bonds on a complete parity with said outstanding bonds, under the terms and conditions provided therein; and

WHEREAS, this City Council, acting as the governing authority of the Issuer, has determined that all such terms and conditions specified in said Parity Bond Ordinances, have been or will be complied with prior to the delivery of the Bonds herein authorized, and it is the express desire and intent of this City Council that the Bonds herein authorized be issued on a complete parity with the said outstanding Parity Bonds; and

WHEREAS, the Issuer intends to fix the details of the Bonds; and

WHEREAS, it is the intention of the Issuer that the Bonds authorized herein be secured by and payable solely from the income and revenues to be derived from the operation of the Utilities System, after provision has been made for payment therefrom of the reasonable and necessary expenses of administration, operation and maintenance of the Utilities System; and

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Natchitoches, State of Louisiana, that:

ARTICLE I

DEFINITIONS AND INTERPRETATION

SECTION 101. Definitions. The following terms shall have the following meanings unless the context otherwise requires:

"Act" means Chapter 14-A of Title 39 of the Louisiana Revised Statutes of 1950, as amended.

"Bond" or **"Bonds"** means any or all of the Utilities Revenue Refunding Bonds, Series 2013, of the Issuer, issued pursuant to the Bond Ordinance, as the same may be amended from time to time, whether initially delivered or issued in exchange for, upon transfer of, or in lieu of any previously issued Bond.

"Bondholder", **"Registered Owner"**, or **"Owner"** means the Person reflected as registered owner of any of the Bonds on the registration books maintained by the Paying Agent. Notwithstanding any provision of the Bond Ordinance to the contrary, the Bond Insurer, if any, shall, at all times, be deemed an owner of all the Bonds for the purposes of consenting to any ordinance supplementing or amending the Bond Ordinance, and shall be notified in advance of the adoption of any ordinance supplemental or amendatory hereto whether or not the consent of the Owners is required.

"Bond Counsel" means an attorney or firm of attorneys whose experience in matters relating to the issuance of obligations by states and their political subdivisions is nationally recognized.

"Bond Obligation" means, as of the date of computation, the principal amount of the Bonds then Outstanding.

"Bond Ordinance" means this ordinance, as further amended and supplemented as herein provided.

"Bond Year" means the one-year period ending on the principal payment date on the Bonds (December 1) of each year.

"Business Day" means a day of the year other than a day on which banks located in New York, New York and the cities in which the principal offices of the Paying Agent are located are required or authorized to remain closed and on which the New York Stock Exchange is closed.

"Code" means the Internal Revenue Code of 1986, as amended.

"Costs of Issuance" means all items of expense, directly or indirectly payable or reimbursable and related to the authorization, sale and issuance of the Bonds, including but not limited to printing costs, costs of preparation and reproduction of documents, official statements, filing and recording fees, initial fees and charges of any fiduciary, legal fees and charges, fees and disbursements of consultants and professionals, costs of credit ratings, fees and charges for preparation, execution, transportation and safekeeping of the Bonds, costs and expenses of refunding, premiums for the insurance of the payment of the Bonds, if any, and any other cost, charge or fee in connection with the original issuance of Bonds.

"Debt Service" for any period means, as of the date of calculation, an amount equal to the sum of (i) interest payable during such period on Bonds and (ii) the principal amount of Bonds which mature during any such period.

"Defeasance Obligations" means (a) Cash, or (b) non-callable Government Securities.

"Executive Officers" means collectively the Mayor and Clerk of the City of Natchitoches, State of Louisiana.

"Fiscal Year" means the one-year period commencing on June 1 of one year and ending on May 31 of the following year, or such other one-year period as may be designated by the Governing Authority as the fiscal year of the Issuer.

"Governing Authority" means the City Council of the City of Natchitoches, State of Louisiana, the governing authority of the Issuer, or its predecessor or successor in function.

"Government Securities" means and includes non-callable direct general obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America, which may be United States Treasury Obligations such as the State and Local Government Series and may be in book-entry form.

"Interest Payment Date" means June 1 and December 1 of each year, commencing December 1, 2013.

"Issuer" means the City of Natchitoches, State of Louisiana.

"Net Utilities Revenues" shall mean the gross revenues derived from the operation of the Utilities System after there have been deducted therefrom the reasonable and necessary expenses of administering, operating and maintaining the Utilities System.

"Outstanding", when used with reference to the Bonds, means, as of any date, all Bonds theretofore issued under the Bond Ordinance, except:

(a) Bonds theretofore canceled by the Paying Agent or delivered to the Paying Agent for cancellation;

(b) Bonds for the payment or redemption of which sufficient Defeasance Obligations have been deposited with the Paying Agent or an escrow agent in trust for the owners of such Bonds with the effect specified in Section 1101 of this Bond Ordinance, provided that if such Bonds are to be redeemed, irrevocable notice of such redemption has been duly given or provided for pursuant to the Bond Ordinance, to the satisfaction of the Paying Agent, or waived;

(c) Bonds in exchange for or in lieu of which other Bonds have been registered and delivered pursuant to the Bond Ordinance; and

(d) Bonds alleged to have been mutilated, destroyed, lost, or stolen which have been paid as provided in the Bond Ordinance or by law.

"Parity Bonds" means the outstanding (i) Utilities Revenue Refunding Bonds, Series 2003B; (ii) Utilities Revenue Bonds, Series 2009A; and (iii) Utilities Revenue Bonds, Series 2009B, all as more fully described in the preamble hereto.

"Parity Bond Ordinances" means the ordinances adopted by the Governing Authority on August 20, 2003 and August 10, 2009, authorizing the issuance of the Parity Bonds.

"Parity Obligations" means any additional pari passu indebtedness hereafter issued by the Issuer and payable from the Revenues on a parity with the Parity Bonds and the Bonds.

"Paying Agent" means _____, in the City of _____, Louisiana and registrar hereunder, until a successor Paying Agent shall have become such pursuant to the applicable provisions of the Ordinance, and thereafter "Paying Agent" shall mean such successor Paying Agent.

"Person" means any individual, corporation, partnership, joint venture, association, joint-stock company, trust, unincorporated organization, or government or any agency or political subdivision thereof.

"Purchaser" means _____.

"Record Date" means, with respect to an Interest Payment Date, the close of business on the fifteenth day of the calendar month next preceding such Interest Payment Date, whether or not such day is a Business Day.

"Redemption Price" means, when used with respect to a Bond, the principal amount thereof plus the applicable premium, if any, payable upon redemption thereof pursuant to the Bond Ordinance.

"Refunded Bonds" shall mean the Issuer's outstanding (i) Utilities Revenue Bonds, Series 1999, maturing December 1, 2013 to December 1, 2019, inclusive; and (ii) Utilities Revenue Bonds, Series 2003A, maturing December 1, 2013 to December 1, 2022, inclusive, described in more detail in the preamble hereto, which are being refunded by the Bonds, as more fully described in Exhibit A hereto.

"Reserve Fund Requirement" shall mean a sum equal to the lesser of (i) 10% of the proceeds of the Bonds, the Parity Bonds and any issue of Additional Parity Bonds, (ii) the highest combined principal and interest requirements for any succeeding Bond Year on the Bonds, the Parity Bonds and any issue of Additional Parity Bonds hereafter issued in the manner provided by Section 703 hereof or (iii) 125% of the average aggregate amount of principal installments and interest becoming due in any Bond Year on the Bonds, the Parity Bonds and any Additional Parity Bonds.

"State" means the State of Louisiana.

"Utilities System" means the combined waterworks plant and system, electric power and light plant and system and sewer system of the Issuer, a revenue producing public utility lying within and without the boundaries of the Issuer. The complete combined waterworks plant and system, electric power and light plant and system and sewer system of the Issuer, as said plants and systems now exist and as they may be hereafter improved, extended or supplemented while any of the Parity Bonds or the Bonds remain outstanding, including specifically all properties of every nature owned, leased or operated by the Issuer and used or useful in the operation of said plants and systems, and including real estate, personal and intangible properties, contracts, franchises, leases and choses in action, whether lying within or without the boundaries of the Issuer.

SECTION 102. Interpretation. In the Bond Ordinance, unless the context otherwise requires, (a) words importing the singular include the plural and vice versa, (b) words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders and (c) the title of the offices used in this Bond Ordinance shall be deemed to include any other title by which such office shall be known under any subsequently adopted charter.

ARTICLE II

AUTHORIZATION AND ISSUANCE OF BONDS

SECTION 201. Authorization of Bonds. (a) This Bond Ordinance creates a series of Bonds of the Issuer designated "Utilities Revenue Refunding Bonds, Series 2013, of the City of Natchitoches, State of Louisiana," and provides for the full and final payment of the principal or redemption price of and interest on all the Bonds.

(b) Provision having been made for the orderly payment until maturity or earlier redemption of all the Refunded Bonds, in accordance with their terms, it is hereby recognized and acknowledged that as of the date of delivery of the Bonds under this Bond Ordinance, provision will have been made for the performance of all covenants and agreements of the Issuer incidental to the Refunded Bonds, and that accordingly, and in compliance with all that is herein provided, the Issuer is expected to have no future obligation with reference to the aforesaid Refunded Bonds.

SECTION 202. Bond Ordinance to Constitute Contract. In consideration of the purchase and acceptance of the Bonds by those who shall own the same from time to time, the provisions of this Bond Ordinance shall be a part of the contract of the Issuer with the Owners of the Bonds and shall be deemed to be and shall constitute a contract between the Issuer and the Owners from time to time of the Bonds. The provisions, covenants and agreements herein set forth to be performed by or on behalf of the Issuer shall be for the equal benefit, protection and security of the Owners of any and all of the Bonds, each of which Bonds, regardless of the time or times of its issue, maturity or series designation, shall be of equal rank without preference, priority or distinction over any other thereof except as expressly provided in the Bond Ordinance.

SECTION 203. Obligation of Bonds. The Bonds, equally with the Parity Bonds, shall be payable as to both principal and interest solely from the income and revenues to be derived from the operation of the Utilities System, after provision has been made for payment therefrom of the reasonable and necessary expenses of administration, operation and maintenance of the Utilities System, pursuant to the Constitution and laws of the State of

Louisiana. The Net Utilities Revenues are hereby irrevocably and irrevocably pledged and dedicated in an amount sufficient for the payment of the Bonds and the Parity Bonds in principal, premium, if any, and interest as they shall respectively become due and payable, and for the other purposes hereinafter set forth in this Bond Ordinance. All of the Net Utilities Revenues shall be set aside in a separate fund, as hereinafter provided, and shall be and remain pledged for the security and payment of the Bonds, and any future parity bonds issued pursuant to Section 703 hereof, in principal, premium, if any, and interest and for all other payments provided for in this Bond Ordinance until such Bonds shall have been fully paid and discharged.

SECTION 204. Authorization and Designation. Pursuant to the provisions of the Act, there is hereby authorized the issuance of One Million Two Hundred Forty-Five Thousand Dollars (\$1,245,000) principal amount of Bonds of the Issuer to be designated "Utilities Revenue Refunding Bonds, Series 2013, of the City of Natchitoches, State of Louisiana," for the purposes set forth in Section 201(b) above. The Bonds shall be in substantially the form set forth in Exhibit B hereto, with such necessary or appropriate variations, omissions and insertions as are required or permitted by the Act and this Bond Ordinance.

SECTION 205. Denominations, Dates, Maturities and Interest. The Bonds shall be issued in fully registered form, shall be dated the date of delivery, shall be issued in the denomination of Five Thousand Dollars (\$5,000) or any integral multiple thereof within a single maturity and shall be numbered from R-1 upwards. The unpaid principal of the Bonds shall bear interest from the date thereof, or from the most recent Interest Payment Date to which interest has been paid or duly provided for, bearing interest at the rate or rates set forth below, and mature serially on December 1 of each year, as follows:

| <u>DATE</u> <u>(DEC. 1)</u> | <u>PRINCIPAL</u> <u>PAYMENT</u> | <u>INTEREST</u> <u>RATE</u> | <u>DATE</u> <u>(DEC. 1)</u> | <u>PRINCIPAL</u> <u>PAYMENT</u> | <u>INTEREST</u> <u>RATE</u> |
|--------------------------------|------------------------------------|--------------------------------|--------------------------------|------------------------------------|--------------------------------|
| 2013 | \$60,000 | | 2018 | \$170,000 | |
| 2014 | 155,000 | | 2019 | 175,000 | |
| 2015 | 160,000 | | 2020 | 65,000 | |
| 2016 | 165,000 | | 2021 | 65,000 | |
| 2017 | 165,000 | | 2022 | 65,000 | |

The principal of and premium, if any, on the Bonds are payable in such coin or currency of the United States of America as at the time of payment is legal tender for payment of

public and private debts at the principal corporate trust office of the Paying Agent, upon presentation and surrender thereof. Interest on the Bonds is payable by check mailed on or before the Interest Payment Date by the Paying Agent to the Owner thereof (determined at the close of business on the Record Date) at the address of such Owner as it appears on the registration books of the Paying Agent maintained for such purpose. Except as otherwise provided in this Section, Bonds shall bear interest from date thereof or from the most recent Interest Payment Date to which interest has been paid or duly provided for, as the case may be, provided, however, that if and to the extent that the Issuer shall default in the payment of the interest on any Bonds due on any Interest Payment Date, then all such Bonds shall bear interest from the most recent Interest Payment Date to which interest has been paid on the Bonds, or if no interest has been paid on the Bonds, from their dated date. The person in whose name any Bond is registered at the Record Date with respect to an Interest Payment Date shall in all cases be entitled to receive the interest payable on such Interest Payment Date (unless such Bond has been called for redemption on a redemption date which is prior to such Interest Payment Date) notwithstanding the cancellation of such Bond upon any registration of transfer or exchange thereof subsequent to such Record Date and prior to such Interest Payment Date.

SECTION 206. Bonds Issued on a Parity with the Parity Bonds. The Bonds shall be and the same are hereby issued on a parity with the Parity Bonds, and the Bonds shall rank equally with and shall enjoy complete parity of lien with the Parity Bonds on all revenues or funds specifically applicable to the payment of the Parity Bonds, including the funds established by the Parity Bond Ordinance in connection with the security and payment of said Parity Bonds. This Governing Authority does hereby find, determine and declare that the Issuer has complied, or will comply prior to the delivery of the Bonds, with all the terms and conditions set forth in the Parity Bond Ordinances, with respect to authorizing the issuance of the Bonds on a parity with the Parity Bonds.

ARTICLE III

GENERAL TERMS AND PROVISIONS OF THE BONDS

SECTION 301. Exchange of Bonds; Persons Treated as Owners. The Issuer shall cause books for the registration of ownership of each series of Bonds and for the registration of transfer of each series of Bonds as provided in this Bond Ordinance to be kept by the Paying Agent at its principal corporate trust office, and the Paying Agent is hereby constituted and appointed the registrar for both series of Bonds. At reasonable times and under reasonable regulations established by the Paying Agent each list may be inspected and copied by the Issuer or by the Owners (or a designated representative thereof) of 15% of the outstanding principal amount of the particular series of Bonds. Upon surrender for registration of transfer of any Bond, the Paying Agent shall register and deliver in the name of the transferee or transferees one or more new fully registered Bonds of authorized denominations of the same maturity and like aggregate principal amount. At the option of the Bondholder, Bonds may be exchanged for other Bonds of authorized denominations of the same maturity and like aggregate principal amount, upon surrender of the Bonds to be exchanged at said office. Whenever any Bonds are so surrendered for exchange, the Paying Agent shall register and deliver in exchange therefor the Bond or Bonds which the Bondholder making the exchange shall be entitled to receive. All Bonds presented for registration of transfer or exchange shall be accompanied by a written instrument or instruments of transfer in form and with a guaranty of signature satisfactory to the Paying Agent, duly executed by the Owner or his attorney duly authorized in writing. No service charge to the Bondholders shall be made by the Paying Agent for any exchange or registration of transfer of Bonds. The Paying Agent may require payment by the person requesting an exchange or registration of transfer of Bonds of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto. The Issuer and the Paying Agent shall not be required (a) to issue, register the transfer of or exchange any Bond during a period beginning at the close of business on a Record Date or any date of selection of Bonds to be redeemed and ending at the close of business on the Interest Payment Date or day on which the applicable notice of redemption is given or (b) to register the transfer of or exchange any Bond so selected for redemption in whole or in part. All Bonds delivered upon any registration of transfer or exchange of Bonds shall be valid obligations of the Issuer, evidencing the same debt and entitled

to the same benefits under this Bond Ordinance as the Bonds surrendered. Prior to due presentment for registration of transfer of any Bond, the Issuer and the Paying Agent, and any agent of the Issuer or the Paying Agent may deem and treat the person in whose name any Bond is registered as the absolute owner thereof for all purposes, whether or not such Bond shall be overdue, and shall not be bound by any notice to the contrary.

SECTION 302. Bonds Mutilated, Destroyed, Stolen or Lost. In case any Bond shall become mutilated or be improperly canceled, or be destroyed, stolen or lost, the Issuer may in its discretion adopt an ordinance or a resolution and thereby authorize the issuance and delivery of a new Bond in exchange for and substitution for such mutilated or improperly canceled Bond, or in lieu of and substitution for the Bond destroyed, stolen or lost, upon the Owner (i) furnishing the Issuer and the Paying Agent proof of his ownership thereof and proof of such mutilation, improper cancellation, destruction, theft or loss satisfactory to the Issuer and the Paying Agent, (ii) giving to the Issuer and the Paying Agent an indemnity bond in favor of the Issuer and the Paying Agent in such amount as the Issuer may require, (iii) compliance with such other reasonable regulations and conditions as the Issuer may prescribe and (iv) paying such expenses as the Issuer and the Paying Agent may incur. All Bonds so surrendered shall be delivered to the Paying Agent for cancellation pursuant to Section 304 hereof. If any Bond shall have matured or be about to mature, instead of issuing a substitute Bond, the Issuer may pay the same, upon being indemnified as aforesaid, and if such Bond be lost, stolen or destroyed, without surrender thereof. Any such duplicate Bond issued pursuant to this Section shall constitute an original, additional, contractual obligation on the part of the Issuer, whether or not the lost, stolen or destroyed Bond be at any time found by anyone. Such duplicate Bond shall be in all respects identical with those replaced except as to the number thereof and that it shall bear on its face the following additional clause:

"This bond is issued to replace a lost, canceled or destroyed bond under the authority of R.S. 39:971 through 39:974."

Such duplicate Bond may be signed by the facsimile signatures of the same officers who signed the original Bonds, provided, however, that in the event the officers who executed the original Bonds are no longer in office, then the new Bonds may be signed by the officers then in office.

Such duplicate Bonds shall be entitled to equal and proportionate benefits and rights as to lien and source and security for payment as provided herein with respect to all other Bonds issued hereunder, the obligations of the Issuer upon the duplicate Bonds being identical to its obligations upon the original Bonds and the rights of the Owner of the duplicate Bonds being the same as those conferred by the original Bonds.

SECTION 303. Preparation of Definitive Bonds, Temporary Bonds. Until the definitive Bonds are prepared, the Issuer may execute, in the same manner as is provided in Section 305, and deliver, in lieu of definitive Bonds, but subject to the same provisions, limitations and conditions as the definitive Bonds except as to the denominations, one or more temporary typewritten Bonds substantially of the tenor of the definitive Bonds in lieu of which such temporary Bond or Bonds are issued, in authorized denominations, and with such omissions, insertions and variations as may be appropriate to temporary Bonds.

SECTION 304. Cancellation of Bonds. All Bonds paid or redeemed either at or before maturity, together with all Bonds purchased by the Issuer, shall thereupon be promptly canceled by the Paying Agent. The Paying Agent shall thereupon promptly furnish to the Clerk of the Issuer an appropriate certificate of cancellation.

SECTION 305. Execution. The Bonds shall be executed in the name and on behalf of the Issuer by the manual or facsimile signature of the Mayor and attested by the manual or facsimile signature of the Clerk of the Issuer, and the corporate seal of the Issuer (or a facsimile thereof) shall be thereunto affixed, imprinted, engraved or otherwise reproduced thereon. In case any one or more of the officers who shall have signed or sealed any of the Bonds shall cease to be such officer before the Bonds so signed and sealed shall have been actually delivered, such Bonds may, nevertheless, be delivered as herein provided, and may be issued as if the person who signed or sealed such Bonds had not ceased to hold such office. Said officers shall, by the execution of the Bonds, adopt as and for their own proper signatures their respective facsimile signatures appearing on the Bonds or any legal opinion certificate thereon, and the Issuer may adopt and use for that purpose the facsimile signature of any person or persons who shall have been such officer at any time on or after the date of such Bond,

notwithstanding that at the date of such Bond such person may not have held such office or that at the time when such Bond shall be delivered such person may have ceased to hold such office.

SECTION 306. Registration by Paying Agent. No Bond shall be valid or obligatory for any purpose or entitled to any security or benefit under the Bond Ordinance unless and until a certificate of registration on such Bond substantially in the form set forth in Exhibit B hereto shall have been duly executed on behalf of the Paying Agent by a duly authorized signatory, and such executed certificate of the Paying Agent upon any such Bond shall be conclusive evidence that such Bond has been executed, registered and delivered under the Bond Ordinance.

SECTION 307. Regularity of Proceedings. The Issuer, having investigated the regularity of the proceedings in connection with the issuance of the Bonds, and having determined the same to be regular, shall cause each of the Bonds to contain the following recital, to-wit:

"It is certified that this bond is authorized by and is issued in conformity with the requirements of the Constitution and statutes of the State of Louisiana."

ARTICLE IV

APPLICATION OF PROCEEDS

SECTION 401. Application of Bond Proceeds. There is hereby authorized and directed the application of the proceeds from the sale of the Bonds to the Costs of Issuance thereof and the remainder to the payment of the Refunded Bonds in principal and interest.

ARTICLE V

PAYMENT OF BONDS; DISPOSITION OF FUNDS

SECTION 501. Deposit of Funds With Paying Agent. The Issuer covenants that it will deposit or cause to be deposited with the Paying Agent from the moneys derived from the operation of the Utilities System or other funds available for such purpose, at least three (3) Business Days in advance of each Interest Payment Date, funds fully sufficient to pay promptly the principal, premium, if any, and interest so falling due on such date.

SECTION 502. Security for Bond Funds. All of the income and revenues to be earned from the operation of the Utilities System shall be deposited daily as provided in Section 503 hereof in the Utilities System Fund, which fund shall be maintained separate and apart from all other funds of the Issuer. The Sinking Fund and the Reserve Fund (both as hereinafter defined) shall be held by the depository bank as special trust funds for the purposes provided in this Bond Ordinance, and all other funds shall be held by the depository bank as special deposits for the purposes set forth in the Parity Bond Ordinances and this Bond Ordinance, and subject to such reasonable instructions as the Issuer may give in writing to the depository bank. The Owners are hereby granted a lien on all funds established pursuant to the requirements of this Bond Ordinance until applied in the manner herein provided.

SECTION 503. Funds and Accounts. In order that the principal of and interest on the Bonds and the Outstanding Parity Bonds will be paid in accordance with their terms and in order to identify the monies that are subject to the terms and conditions of the Bond Ordinance and to the lien of the Bondowners, and for the other objects and purposes set forth in the Bond Ordinance, the Issuer will keep a separate account of the funds established pursuant to the Parity Bond Ordinances so that they will be at all times distinguished from other Issuer revenues and

monies, and such revenues shall never be available for loan or appropriation to any other account or used for any other purpose other than as provided in this Bond Ordinance. Such monies shall be maintained in a separate Issuer account on books maintained by the Issuer although they may be part of a bank account containing other monies, and for the other objects and purposes hereinafter provided, the Issuer further covenants that all income and revenues of every nature derived from the operation of the Utilities System shall be deposited daily as the same may be collected in a separate and special bank account established and maintained with the bank or banks that from time to time are the regularly designated fiscal agent bank or banks of the Issuer (the "Fiscal Agent Bank").

That all of the income and revenues to be earned from the operation of the Utilities System shall be deposited daily as the same may be collected in the separate and special bank account known and designated as "Utilities System Fund", heretofore established pursuant to the Parity Bond Ordinances and said fund shall be maintained and administered in the following order of priority and for the following express purposes:

(a) The payment of all reasonable and necessary expenses of administration, operation and maintenance of the Utilities System;

(b) The maintenance of the Sinking Fund established pursuant to the Parity Bond Ordinances (the "Sinking Fund") sufficient in amount to pay promptly and fully the principal of and the interest on the Parity Bonds, the Bonds and any Parity Obligations issued hereafter in the manner provided by this Bond Ordinance, as they severally become due and payable, by transferring from the Utilities System Fund to the Exchange Bank and Trust Company, in the City of Natchitoches, Louisiana, monthly in advance on or before the 20th day of each month of each year, those amounts required by the Parity Bond Ordinances, a proportionate amount necessary to provide for the interest falling due on the Bonds during the period extending from the date of issuance of the Bonds to the first Principal Payment Date, and a proportionate amount necessary to provide for the payment of principal on the first Principal Payment Date, a sum equal to one-sixth (1/6) of the interest falling due on the Bonds the next Interest Payment Date and a sum equal to one-twelfth (1/12) of the principal falling due on the Bonds the next principal payment date, together with such additional proportionate sum as may be required to pay said principal and interest as the same respectively become due. The depository for the Sinking Fund shall transfer from said Sinking Fund to the Paying Agent or any other paying agent bank or banks for the Bonds payable from said Fund at least three (3) days in advance of the date on which each payment of principal or interest falls due, funds fully sufficient to pay promptly the principal and interest so falling due on such date.

(c) The maintenance of the Reserve Fund, established pursuant to the Parity Bond Ordinances, by transferring from said Utilities System Fund to the Reserve Fund maintained by Bank One Trust Company, N.A., in the City of Natchitoches, Louisiana, monthly in advance on or before the 20th day of each month of each year, a sum at least equal to 20% of the amount required to be paid into the Sinking Fund each month for the payment of any Parity Obligation until the

Reserve Fund Requirement is satisfied. The money in the Reserve Fund shall be retained solely for the purpose of paying the principal of and interest on Parity Bonds or Bonds payable from the Sinking Fund as to which there would otherwise be default. In the event that Parity Obligations are issued hereafter in the manner provided by this Bond Ordinance, the payments into said Reserve Fund shall continue, or if the said payments have ceased because of the accumulation of the maximum amount provided above, then such payments shall be resumed until the Reserve Fund Requirement is accumulated.

(d) The maintenance of the Depreciation and Contingencies Fund established pursuant to the Parity Bond Ordinances to care for extensions, additions, improvements, renewals and replacements necessary to properly operate the System by transferring from the Utilities System Fund to the Depreciation and Contingencies Fund an amount equal to seven percent (7%) of Revenues but such percentage shall not be applied to Revenues used to purchase power or received due to fuel adjustment charges, or an amount equal to twenty-five percent (25%) of the amount scheduled that month for payment to the Sinking Fund, whichever is greater. Further, no payment need be made into the Depreciation and Contingencies Fund if at any time the balance in said fund equals or exceeds One Million Dollars (\$1,000,000). In addition to caring for extensions, additions, improvements, renewals and replacements necessary to properly operate the Utilities System, the money in said Depreciation and Contingencies Fund shall also be used to pay the principal of and the interest on the Bonds, then due, for the payment of which there is not sufficient money in the Sinking Fund or Reserve Fund provided for in paragraphs (b) and (c) above. The money in said Depreciation and Contingencies Fund, however, shall never be used for the making of improvements and extensions to the Utilities System or for payment of principal or interest on the Bonds, if the use of said money will leave in said Depreciation and Contingencies Fund for the making of emergency repairs or replacements less than the sum of Fifteen Thousand Dollars (\$15,000).

If at any time it shall be necessary to use moneys in the Reserve Fund or the Depreciation and Contingencies Fund for the purpose of paying principal of or interest on Bonds or Bonds payable from the Sinking Fund as to which there would otherwise be default, then the moneys so used shall be replaced from the Net Utilities Revenues first thereafter received, not hereinabove required to be used for current principal or interest requirements. If at any time there are sufficient moneys on deposit in the Reserve Fund and the Depreciation and Contingencies Fund to retire all Bonds payable from the Sinking Fund by exercising the redemption option provided by such Bonds or by purchase on the open market, the Issuer may utilize such funds for such purpose.

All or any part of the moneys in the Reserve Fund and in the Depreciation and Contingencies Fund shall, at request of the Issuer, be invested in direct obligations of the United States of America maturing in five (5) years or less, in which event all income derived from such investments shall be added to the money in said respective funds, and such investments shall, to the extent at any time necessary, be liquidated and the proceeds thereof applied to the purpose for which the respective funds are herein provided.

All income derived from such investments shall be added to the money in said respective funds or to the Utilities System Fund, and such investments shall, to the extent at any time necessary, be liquidated and the proceeds thereof applied to the purpose for which the respective funds are herein created.

All moneys remaining in the Utilities System Fund on the 20th day of each month after making the payments described in (a), (b), (c), and (d) above for the current month and for prior months during which the required payments may not have been made, shall be considered as surplus. Such surplus may be used by the Issuer for the purpose of retiring Bonds in advance of their maturities, either by purchase of bonds then outstanding at prices not greater than the redemption prices or by retiring such Bonds at the prices and in the manner set forth in the proceedings providing for their issuance, or for any other lawful purpose.

Notwithstanding the foregoing, after the Parity Bond Ordinances have ceased to be effective through retirement or defeasance of the Parity Bonds or otherwise, the Issuer may use its regularly designated fiscal agent bank or banks as they may exist from time to time as depository for the various funds described above in this section.

SECTION 504. Security for Deposits. Any and all funds of the Issuer which may be placed on deposit with any bank in compliance with any provision of this Bond Ordinance or subsequent ordinances or of the Bonds herein authorized, shall be secured by said bank at all times to the full extent thereof by direct obligations of the United States of America or State of Louisiana having a market value of not less than the amount of money then on deposit.

ARTICLE VI

REDEMPTION OF BONDS

SECTION 601. Redemption of Bonds. The Bonds will not be callable prior to their stated dates of maturity.

ARTICLE VII

PARTICULAR COVENANTS, ADDITIONAL PARITY BONDS

SECTION 701. Obligation of the Issuer in Connection with the Issuance of the Bonds. As a condition of the issuance of the Bonds, the Issuer hereby binds and obligates itself to deposit the proceeds of the Bonds as described in Section 401.

SECTION 702. Payment of Bonds. The Issuer shall duly and punctually pay or cause to be paid as herein provided, the principal or Redemption Price, if any, of every Bond and the interest thereon, at the dates and places and in the manner stated in the Bonds according to the true intent and meaning thereof.

SECTION 703. Issuance of Parity Bonds. All of the Bonds shall enjoy complete parity of lien on the Net Utilities Revenues despite the fact that any of the Bonds may be

delivered at an earlier date than any other of the Bonds. The Issuer shall issue no other bonds or obligations of any kind or nature payable from or enjoying a lien on the Net Utilities Revenues having priority over or parity with the Bonds and the Parity Bonds, provided, however, that bonds may hereafter be issued on a parity with the Bonds and the Parity Bonds under the following conditions:

1. The Bonds or any part thereof, including interest and redemption premiums thereon, may be refunded and the refunding bonds so issued shall enjoy complete equality of lien with the portion of the Bonds which is not refunded, if there be any, and the refunding bonds shall continue to enjoy whatever priority of lien over subsequent issues may have been enjoyed by the Bonds refunded, provided, however, that if only a portion of Bonds outstanding is so refunded and the refunding bonds require total principal and interest payments during any Bond Year in excess of the principal and interest which would have been required in such Bond Year to pay the Bonds refunded thereby, then such Bonds may not be refunded without the consent of the Owners of the unrefunded portion of the Bonds issued under the Parity Bond Ordinances and the Bond Ordinance (provided such consent shall not be required if such refunding bonds meet the requirements set forth in clause 2 below):

2. Additional bonds may also be issued on a parity with the Bonds and the Parity Bonds if all of the following conditions are met:

(a) The average annual Net Utilities Revenues for the three (3) completed Fiscal Years immediately preceding the issuance of the additional bonds must have been not less than one and three-tenths (1.3) times the highest combined principal and interest requirements for any succeeding Fiscal Year period on all bonds then outstanding, including any *pari passu* additional bonds theretofore issued and then outstanding and any other bonds or obligations whatsoever then outstanding which are payable from the Net Utilities Revenues (but not including bonds which have been refunded or provision otherwise made for their full and complete payment and redemption) and the bonds so proposed to be issued. Although not expressly provided for in the Parity Bond Ordinances, for the purpose of this calculation, principal maturities shall include mandatory redemption of term bonds and there shall be subtracted from term bond maturities the amount of such mandatory redemption so that the calculation shall be made assuming retirement of the term bonds according to the schedule of mandatory redemption. In the event variable rate bonds are issued, it shall be assumed for the purpose of this calculation that the additional bonds shall bear interest at the maximum or ceiling rate that such additional bonds may bear. In making the calculation required by this subparagraph 2(a), if the Issuer has adopted higher rates for services rendered by the Utilities System on or before the date of issuance of the Parity Obligations, the calculation of average annual Net Utilities Revenues for the previous three completed Fiscal Years may be made assuming such rates had been in effect during such period.

(b) The payments required to be made into the various funds provided in Section 503 hereof must have been made in full.

(c) There must be sufficient money in the Reserve Fund to pay all principal and interest on the Bonds and any other Parity Obligations which may have been issued hereunder becoming due during the twelve (12) months period next succeeding the issuance of the additional bonds.

(d) The existence of the facts required by paragraphs (a), (b) and (c) above must be determined and certified to by an independent firm of certified public accountants who have previously audited the books of the Issuer, or such successors thereof as may have been employed for that purpose. In making the determination in the event of an adjustment of Net Utilities Revenues due to a rate increase as set forth in paragraph (a), there may be a reliance upon the calculation of the adjustment of Net Utilities Revenues as a result of increased rates as prepared by a recognized engineer or firm of engineers employed for such purpose.

(e) The additional bonds must be payable as to principal on December 1st of each year in which principal falls due and payable as to interest on June 1st and December 1st of each year.

(f) The proceeds of the additional bonds must be used solely for the making of additions, improvements, extensions, renewals, replacements or repairs to the Utilities System, or to refund bonds issued therefor.

ARTICLE VIII

SUPPLEMENTAL BOND ORDINANCE

SECTION 801. Supplemental Ordinances Effective Without Consent of Bondholders. For any one or more of the following purposes and at any time from time to time, an ordinance supplemental hereto may be adopted, which, upon the filing with the Paying Agent of a certified copy thereof, but without any consent of Bondholders, shall be fully effective in accordance with its terms: (a) to add to the covenants and agreements of the Issuer in the Bond Ordinance other covenants and agreements to be observed by the Issuer which are not contrary to or inconsistent with the Bond Ordinance as theretofore in effect;

(b) to add to the limitations and restrictions in the Bond Ordinance other limitations and restrictions to be observed by the Issuer which are not contrary to or inconsistent with the Bond Ordinance as theretofore in effect;

(c) to surrender any right, power or privilege reserved to or conferred upon the Issuer by the terms of the Bond Ordinance, but only if the surrender of such right, power or privilege is not contrary to or inconsistent with the covenants and agreements of the Issuer contained in the Bond Ordinance;

(d) to cure any ambiguity, supply any omission, or cure or correct any defect or inconsistent provision of the Bond Ordinance; or

(e) to insert such provisions clarifying matters or questions arising under the Bond Ordinance as are necessary or desirable and are not contrary to or inconsistent with the Bond Ordinance as theretofore in effect.

SECTION 802. Supplemental Ordinances Effective With Consent of Bondholders. Except as provided in Section 801, any modification or amendment of the Bond Ordinance or of the rights and obligations of the Issuer and of the Owners of the Bonds hereunder, in any particular, may be made by a supplemental ordinance, with the written consent of the Owners of a majority of the Bond Obligation at the time such consent is given. No such modification or amendment shall permit a change in the terms of redemption or maturity of the principal of any outstanding Bond or of any installment of interest thereon or a reduction in the principal amount or the Redemption Price thereof or in the rate of interest thereon without the consent of the Owner of such Bond, or shall reduce the percentages of Bonds the consent of the Owner of which is required to effect any such modification or amendment, or change the obligation of the Issuer to levy rates and charges for the payment of the Bonds as provided herein, without the consent of the Owners of all of the Bonds then outstanding, or shall change or modify any of the rights or obligations of the Paying Agent without its written assent thereto. For the purposes of this Section, Bonds shall be deemed to be affected by a modification or amendment of this Bond Ordinance if the same adversely affects or diminishes the rights of the Owners of said Bonds.

ARTICLE IX

RATES AND CHARGES; COVENANTS AS TO THE MAINTENANCE AND OPERATION OF THE UTILITIES SYSTEM

SECTION 901. Schedule of Rates and Charges. The Issuer, through its Governing Authority, hereby covenants to fix, establish and maintain such rates and collect such fees, rents or other charges for the services and facilities of the Utilities System, and all parts thereof, and to revise the same from time to time whenever necessary, as will always provide revenues in each year sufficient to pay the necessary expenses of administering, operating and

maintaining the Utilities System in each year, the principal and interest maturing on the bonds herein authorized in each year, all reserves or sinking funds or other payments required for such year by this Bond Ordinance, and all other obligations or indebtedness payable out of the revenues of the Utilities System for such year, and such rates, fees, rents or other charges shall not at any time be reduced so as to be insufficient to provide adequate revenues for such purposes and at any rate, the Governing Authority shall fix, establish, maintain, levy and collect such rates, fees, rents or other charges for services and facilities system to always provide revenues in each fiscal year sufficient to pay (1) the reasonable and necessary expenses of administering, operating and maintaining the Utilities System in such fiscal year and (2) 125% of the required deposits to the Sinking Fund for such Fiscal Year. Except as otherwise provided, nothing in this Bond Ordinance or in the Bonds shall be construed to prevent the Issuer from altering, amending or repealing from time to time as may be necessary any resolutions or ordinances setting up and establishing a schedule or schedules of rates and charges for the services and facilities to be rendered by the Utilities System, said alterations, amendments or repeals to be conditioned upon the continued preservation of the rights of the Owners with respect to the income and revenues of the Utilities System, not alone for the payment of the principal of and the interest on the Bonds, but to give assurance and insure that the income and revenues of the Utilities System shall be sufficient at all times to meet and fulfill the other provisions stated and specified in Section 503 of this Bond Ordinance. It is understood and agreed, however, that the Issuer shall fix, establish and maintain such rates and collect such fees, rents or other charges for the services and facilities to be rendered by the Utilities System, irrespective of the user thereof, that no free services or facilities shall be furnished to any person, association of persons or corporation, public or private, except the Issuer itself, and that all service shall be metered, and that no discrimination shall be made as to rates and charges for the services and facilities of the Utilities System as between users of the same type or class, provided, however, the Issuer shall not be required to meter electricity used by the Issuer for street lighting purposes nor shall the Issuer be required to meter water used for fire fighting purposes through its fire hydrants, but the Issuer hereby agrees to pay from its general revenues a

minimum annual rental of Twenty-Five Dollars (\$25.00) per year for each fire hydrant connected to the Utilities System and available for fire fighting and a minimum of two cents (2¢) per kwh of electricity, such consumption of electric energy to be computed by multiplying the wattage of street lights by 4,000 hours per year, the estimated average operating time of such lights. It is further understood and agreed that the schedule of rates, fees, rents, or other charges being charged as of the date of the adoption of this Bond Ordinance for services and facilities rendered by the Utilities System shall remain in effect until changed in compliance with the provisions of Section 910 of this Bond Ordinance. The Issuer agrees that all charges owed by any individual, partnership or corporation for water and electricity rendered by the Utilities System shall be billed and collected as a unit; that failure of any individual, partnership or corporation to pay said combined charge within fifteen (15) days of the date on which it is billed shall cause such charge to become delinquent; that if such delinquent charge, with penalties accrued thereon, is not paid within ten (10) days from the date on which it became delinquent, the Issuer will shut off water service to the affected premises; and that the Issuer, the Governing Authority and its officials, agents and employees will do all things necessary and will take advantage of all remedies afforded by law to collect and enforce the prompt payment of all charges made for utilities services rendered by the Utilities System. All delinquent charges for such services shall on the date of delinquency have added thereto a penalty of ten percent (10%) of the amount of the charge, and the amount so due, including the penalty charge and after thirty (30) days from the date of delinquency, bear interest at the rate of six percent (6%) per annum. If service shall be discontinued as above provided, the customer shall in addition to paying the delinquent charges and penalties, pay as a condition precedent to the resumption of service, a reasonable re-connection charge of not less than One and One-half Dollars (\$1.50) for each service resumed. It is further understood and agreed that the schedule of rates, fees, rents and other charges being charged as of the date of the adoption of this Bond Ordinance for services and facilities rendered by the Utilities System shall remain in effect and neither said existing schedule nor any subsequent schedule shall be reduced at any time unless all payments required for all funds by this Bond Ordinance, including any deficiencies for prior payments, have been fully made, and

unless such schedule as so reduced will in each year thereafter produce sufficient revenues to meet and fulfill the other provisions stated and specified in Section 503 of this Bond Ordinance.

SECTION 902. Pledge of Revenues. In providing for the issuance of the Bonds, the Issuer does hereby covenant and warrant that it is lawfully seized and possessed of the Utilities System, that it has a legal right to pledge the income and revenues therefrom as herein provided, that the Bonds, together with the Parity Bonds and any *pari passu* additional bonds hereafter issued as provided in this Bond Ordinance, will have a lien and privilege on said income and revenues subject only to the prior payment of all reasonable and necessary expenses of administering, operating and maintaining the Utilities System, and that the Issuer will at all times maintain the Utilities System in first class repair and working order and condition.

SECTION 903. Insurance. So long as any of the Bonds herein authorized are outstanding and unpaid in principal or interest, the Issuer shall carry full coverage of insurance on the Utilities System at all times against those risks and in those amounts normally carried by privately owned public utility companies engaged in the operation of such utilities. Said policies of insurance shall be issued by a responsible insurance company or companies duly licensed to do business under the laws of the State. In case of loss, any insurance money received by the Issuer, shall be used for the purpose of promptly repairing or replacing the property damaged or destroyed, or shall be deposited in the Contingencies Fund to supplement any other amounts required to be paid into the Contingencies Fund.

So long as any of the Bonds are outstanding and unpaid, the Issuer, in operating the Utilities System, shall require all of its officers and employees who may be in a position of authority or in possession of money derived from the operation of the Utilities System to be covered by a blanket fidelity or faithful performance bond or independent fidelity bonds written by a responsible indemnity company in amounts adequate to protect the Issuer from loss.

SECTION 904. Accounting for System Revenues. So long as any of the Bonds herein authorized are outstanding and unpaid in principal or interest, the Issuer shall maintain and keep proper books of record and accounts in which shall be made full and correct entries of all transactions relating to the Utilities System. Not later than three (3) months after the close of

each Fiscal Year, the Issuer shall cause the commencement of an audit of such books and accounts by a recognized independent firm of certified public accountants, showing the receipts of and disbursements made for the account of the Utilities System, and such audit shall be completed within 180 days of the close of such Fiscal Year. Such audit shall be available for inspection by the Owner of any of the Bonds herein authorized, and a copy of such audit shall be furnished promptly after its completion to the original purchaser of the Bonds. Each such audit, in addition to whatever matters may be thought proper by the accountant to be included therein, shall include the following:

1. A statement in detail of the income and expenditures of the Utilities System for such Fiscal Year.
2. A balance sheet as of the end of such Fiscal Year.
3. The accountant's comments regarding the manner in which the Issuer has carried out the requirements of this Bond Ordinance, and the accountant's recommendations for any changes or improvements in the operation of the Utilities System or the method of keeping the records relating thereto.
4. A list of the insurance policies in force at the end of the Fiscal Year, setting out as to each policy the amount of the policy, the risks covered, the name of the insurer and the expiration date of the policy.
5. The number of metered water, sewer and electric customers and the number of unmetered water, sewer and electric customers, if any, at the end of the Fiscal Year.
6. An analysis of additions, replacements and improvements to the physical properties of the Utilities System.
7. A statement of all schedules of rates in effect during the Fiscal Year, the aggregate dollar amount billed for services rendered during such year and the average monthly billing per user.

All expenses incurred in the making of the audits required by this Section shall be regarded and paid as a maintenance and operation expense. The Issuer further agrees that the original purchaser of the Bonds, the Paying Agent and the Owners shall have the right to discuss with the accountant making the audit the contents of the audit and to ask for such additional information as he may reasonably require. The Issuer further agrees to furnish to the original purchaser of the Bonds or to such other parties as it shall designate in writing, and to the Paying Agent, and upon request, to any Owner, a monthly statement itemized to show the income and expenses of the operation of the Utilities System and the number of connections for the

preceding month. The Issuer further agrees that said original purchaser, the Paying Agent and the Owners shall have at all reasonable times the right to inspect the Utilities System and the records, accounts and data of the Issuer relating thereto.

SECTION 905. Rights of Owners. The Owners of the Bonds shall be entitled to exercise all rights and powers for which provision is made in the laws of the State, particularly Part XIII, Chapter 4, Title 39 of the Louisiana Revised Statutes of 1950. Any Owners of said Bonds issued under the provisions of this Bond Ordinance, or any trustee acting for such Owners in the manner hereinafter provided, may, either at law or in equity, by suit, action, mandamus or other proceeding in any court of competent jurisdiction, protect and enforce any and all rights under the laws of the State, or granted and contained in this Bond Ordinance, and may enforce and compel the performance of all duties required by this Bond Ordinance or by any applicable statutes to be performed by the Issuer or by any agency, board or officer thereof, including the fixing, charging and collection of rentals, fees or other charges for the use of the Utilities System, and in general to take any action necessary to most effectively protect the rights of said Owners.

In the event that default shall occur in the payment of the interest on or the principal of any of the Bonds issued pursuant to this Bond Ordinance as the same shall become due, or in the making of the payments into any fund established by Section 503 of this Bond Ordinance or any other payments required to be made by this Bond Ordinance, or in the event that the Issuer or any agency, board, officer, agent or employee thereof shall fail or refuse to comply with the provisions of this Bond Ordinance, or shall default in any covenant made herein, and in the further event that any such default shall continue for a period of thirty (30) days after written notice, any Owner or any trustee appointed to represent Owners as hereinafter provided, shall be entitled as of right to the appointment of a receiver of the Utilities System, in an appropriate judicial proceeding in a court of competent jurisdiction.

The receiver so appointed shall forthwith, directly or by his agents and attorneys, enter into and upon and take possession of the Utilities System, and each and every part thereof, and shall hold, operate and maintain, manage and control the Utilities System, and each and

every part thereof, and in the name of the Issuer shall exercise all the rights and powers of the Issuer with respect to the Utilities System as the Issuer itself might do. Such receiver shall operate the Utilities System in the manner provided in this Bond Ordinance, and comply under the jurisdiction of the court appointing such receiver, with all of the provisions of this Bond Ordinance. Whenever all that is due upon the Bonds issued pursuant to this Bond Ordinance, and interest thereon, and under any covenants of this Bond Ordinance for all funds herein required, and upon any other obligations and interest thereon, having a charge, lien or encumbrance upon the fees, rentals or other revenues of the Utilities System, shall have been paid and made good, and all defaults under the provisions of this Bond Ordinance shall have been cured and made good, possession of the Utilities System shall be surrendered to the Issuer upon the entry of an order of the court to that effect. Upon any subsequent default, any Owner of Bonds issued pursuant to the Bond Ordinance, or any trustee appointed for Owners hereinafter provided, shall have the same right to secure the further appointment of a receiver upon such subsequent default.

Such receiver, shall in the performance of the powers hereinabove conferred upon him, be under the direction and supervision of the court making such appointment, shall at all times be subject to the orders and decrees of such court, and may be removed thereby and a successor receiver appointed in the discretion of such court. Nothing herein contained shall limit or restrict the jurisdiction of such court to enter such order and further orders and decrees as such court may deem necessary or appropriate for the exercise by the receiver of any function not specifically set forth herein.

Any receiver appointed as provided herein shall hold and operate the Utilities System in the name of the Issuer and for the joint protection and benefit of the Issuer and Owners of Bonds issued pursuant to this Bond Ordinance. Such receiver shall have no power to sell, assign, mortgage or otherwise dispose of any assets of any kind or character belonging or pertaining to the Utilities System but the authority of such receiver shall be limited to the possession, operation and maintenance of the Utilities System for the sole purpose of the protection of both the Issuer and Owners and the curing and making good of any default under the provisions of this Bond Ordinance, and the title to and the ownership of the Utilities System

shall remain in the Issuer, and no court shall have any jurisdiction to enter any order or decree permitting or requiring such receiver to sell, mortgage or otherwise dispose of any assets of the Utilities System except with the consent of the Issuer and in such manner as the court shall direct.

The Owners of Bonds in an aggregate principal amount of not less than twenty-five percent (25%) of Bonds issued under this Bond Ordinance then Outstanding may by a duly executed certificate in writing appoint a trustee for Owners of Bonds issued pursuant to this Bond Ordinance with authority to represent such Owners in any legal proceedings for the enforcement and protection of the rights of such Owners. Such certificate shall be executed by such Owners, or their duly authorized attorneys or representatives, and shall be filed in the office of the Governing Authority.

Until an event of default shall have occurred, the Issuer shall retain full possession and control of the Utilities System with full right to manage, operate and use the same and every part thereof with the rights appertaining thereto, and to collect and receive, and, subject to the provisions of this Bond Ordinance, to take, use and enjoy and distribute the earnings, income, rent, issue and profits accruing on or derivable from the Utilities System.

SECTION 906. Sale or Lease of System. So long as any of the Bonds authorized are Outstanding in principal and interest, the Issuer shall be bound and obligated not to sell, lease, encumber, or in any manner dispose of the Utilities System or any substantial part thereof; provided, however, that this covenant shall not be construed to prevent the disposal by the Issuer of property which in its judgment has become inexpedient to use in connection with the Utilities System when other property of equal value is substituted therefor, or the proceeds derived from the sale of such property are deposited in the Contingencies Fund.

SECTION 907. Franchise. So long as any of the Bonds herein authorized are Outstanding and unpaid in principal or interest, the Issuer obligates itself not to grant a franchise to any competing utility for operation within the boundaries of the Issuer, and also obligates itself to oppose the granting of any such franchise by any other public board having jurisdiction

over such matters. Further, the Issuer shall maintain its corporate identity and existence as long as any of the Bonds herein authorized remain Outstanding.

SECTION 908. Security of and Covenant to Maintain System Revenues. So long as any of the Bonds herein authorized are Outstanding and unpaid, the Issuer in operating the Utilities System, shall require all of its officers and employees who may be in a position of authority or in possession of money derived from the operation of the Utilities System, to obtain or be covered by a blanket fidelity or faithful performance bond, or independent fidelity bonds written by a responsible indemnity company in amounts adequate to protect the Issuer from loss.

SECTION 909. Sewer Service Requirement. Acting in the exercise of its police powers, the Issuer shall take all action necessary to require every owner, tenant or occupant of each lot or parcel of land within the boundaries of the Issuer which abuts upon a street or other public way containing a sewer line and upon which lot or parcel a building shall have been constructed for residential, commercial or industrial use, to connect said building with the System and to cease to use any other method for the disposal of sewerage, sewerage waste or other polluting matter which can be handled by the System. All such connections shall be made in accordance with the rules and regulations to be adopted from time to time by this Governing Authority, which rules and regulations may provide for an inspection charge to assure the proper making of such connection.

In addition to all other rights and remedies available to enforce sewerage charges and compel the making of sewerage connections as aforesaid, the Issuer shall exercise and enforce promptly and efficiently all rights given it under the laws of the State for the enforcement and collection of such charges, and particularly those rights and remedies given it by the Act and statutes authorizing the issuance of the Parity Bonds.

SECTION 910. Consulting Engineer. It is recognized and understood that in purchasing and accepting delivery of the Bonds herein authorized, the original purchasers thereof have relied, and the Owners of the Bonds from time to time will rely, upon representations made by the Issuer that the Utilities System will be economically and efficiently operated so that both the Issuer and the Owners of the Bonds may benefit through the production of maximum

revenues. To this end, the Issuer hereby covenants and agrees that in the event it should default in making the payments required by Section 503 of this Bond Ordinance, it will retain a nationally known consulting utility engineer or firm of consulting utility engineers (in this Bond Ordinance referred to as "Consulting Engineer") for the purpose of providing the Issuer with proper engineering counsel in the operation of the Utilities System until such time as all such defaults have been cured and satisfied. The Consulting Engineer shall be retained on an annual basis at such reasonable compensation as may be fixed by the Governing Authority and the payment of such compensation shall be considered to be one of the costs of maintaining and operating the Utilities System. The Consulting Engineer retained under the provisions of this Bond Ordinance may be replaced at any time by another engineer or firm of engineers appointed or retained by the Issuer, provided no such engineer may be replaced until a resolution setting forth the just cause for such action, adopted by the Governing Authority, shall have been filed with the Clerk of the Issuer, the original purchaser of the Bonds and with the Consulting Engineer, and thereafter a public hearing thereon shall have been conducted by the Governing Authority at which all interested persons are given an opportunity to be heard, after which the Governing Authority may make such replacement if so directed by at least a two-thirds vote of the Governing Authority taken at a regular meeting. If the Consulting Engineer is ever appointed, retained or replaced as above provided, such engineer or successor engineer shall be selected with special reference to his knowledge and experience in the construction and operation of publicly owned utility properties and shall be retained under contract at such reasonable compensation as may from time to time be agreed upon by the Governing Authority and the engineer.

Should the Governing Authority fail to retain a Consulting Engineer as herein provided and shall fail to do so within thirty (30) days after written notice from any Owner calling attention to such failure, then upon the petition of twenty-five per cent (25%) of the Owners of the outstanding Bonds, the Governing Authority shall select and retain such Consulting Engineer as is named in the petition of the Owners.

Said Consulting Engineer as retained as hereinabove provided, shall annually inspect the Utilities System and the records relating thereto, and within three (3) months after the close of the Fiscal Year he shall prepare a written report upon the operations of the Utilities System during the preceding year, the condition and maintenance of the properties thereof, the efficiency of the management of the property, the proper and adequate keeping of books of account and record, the adherence to budget and budgetary control provisions, the adherence to all the provisions of this Bond Ordinance, and any other things having a bearing upon the efficient and profitable operation of the Utilities System as the Consulting Engineer feels should be contained in the report. Said Consulting Engineer shall also submit in said report such recommendations for maintenance, insurance, operation, repairs, renewals, replacements, extensions, betterments and improvements as he may deem proper. Copies of such report shall be placed on file with the Clerk of the Issuer and said report shall be furnished to any Owner of any of said Bonds upon request.

It shall also be the duty of the Consulting Engineer to advise the Issuer as to any changes or revisions of rates, fees, rents or other charges for services and facilities rendered or furnished by the Utilities System, and the Issuer agrees to make no revisions therein which are not approved by the Consulting Engineer except that changes or revisions of such rates, fees, rents or other charges may be made without the approval of the Consulting Engineer if the Governing Authority by resolution adopted by two-thirds (2/3) of its members shall order such changes or revisions and call a public hearing to be held thereon within thirty (30) days from the adoption of the resolution. Not less than ten (10) days notice of such hearing shall be given to all interested parties, including the Consulting Engineer, and the original purchaser of the Bonds herein authorized. Sixty (60) days before the close of each Fiscal Year the Issuer shall, in conjunction with the Consulting Engineer, prepare a budget for the ensuing year's operation of the Utilities System. No expenditure for the operation, maintenance and repairs of the Utilities System in excess of the amounts stated in the budget shall be made in any year unless authorized by the Governing Authority and approved by the Consulting Engineer.

The provisions of this Section shall only apply during any period during which the Issuer may be in default in making required payments into the funds established by Section 503 of this Bond Ordinance.

ARTICLE X

CONCERNING FIDUCIARIES

SECTION 1001. Paying Agent; Appointment and Acceptance of Duties. The Issuer will at all times maintain a Paying Agent meeting the qualifications herein described for the performance of the duties hereunder. The designation of _____, in the City of _____, Louisiana, as the initial Paying Agent is hereby confirmed and approved. The Paying Agent shall signify its acceptance of the duties and obligations imposed on it by the Bond Ordinance by executing and delivering an acceptance of its rights, duties and obligations as Paying Agent set forth herein in form and substance satisfactory to the Issuer.

SECTION 1002. Successor Paying Agent. Any successor Paying Agent shall (i) be a trust company or bank in good standing, located in or incorporated under the laws of the State, duly authorized to exercise trust powers and subject to examination by federal or state authority and (ii) have a reported capital and surplus of not less than \$10,000,000.

ARTICLE XI

MISCELLANEOUS

SECTION 1101. Defeasance. (a) If the Issuer shall pay or cause to be paid to the Owners of all Bonds then outstanding, the principal and interest and Redemption Price, if any, to become due thereon at the times and in the manner stipulated therein and in this Bond Ordinance, then the covenants, agreements and other obligations of the Issuer to the Bondholders shall be discharged and satisfied. In such event, the Paying Agent shall, upon the request of the Issuer, execute and deliver to the Issuer all such instruments as may be desirable to evidence such discharge and satisfaction and the Paying Agent shall pay over or deliver to the Issuer all moneys, securities and funds held by them pursuant to the Bond Ordinance which are not required for the payment or redemption of Bonds not theretofore surrendered for such payment or redemption.

(b) Bonds or interest installments for the payment or redemption of which Defeasance Obligations shall have been set aside and shall be held in trust by the Paying Agent or an escrow agent (through deposit by the Issuer of funds for such payment or redemption or otherwise) at a maturity or redemption date thereof shall be deemed to have been paid within the meaning and with the effect expressed in paragraph (a) of this Section. Any Bond shall, prior to maturity or the redemption date thereof, be deemed to have been paid within the meaning and with the effect expressed in paragraph (a) of this Section if (i) in case such Bond is to be redeemed on any date prior to its maturity, the Issuer shall have given to the Paying Agent in form satisfactory to it irrevocable instructions to give notice of redemption as provided in Article VI of this Bond Ordinance, (ii) there shall have been deposited with the Paying Agent or an escrow agent Defeasance Obligations, in the amounts and having such terms as are necessary to provide moneys (whether as principal or interest) in an amount sufficient to pay when due the principal or applicable Redemption Price thereof, together with all accrued interest and (iii) the adequacy of the Defeasance Obligations so deposited to pay when due the principal or applicable Redemption Price and all accrued interest shall have been verified by an independent certified public accountant. Neither Defeasance Obligations deposited pursuant to this Section nor principal or interest payments on any such securities shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal or Redemption Price, if applicable, and interest on said Bonds; provided that any cash received from such principal or interest payments on such Defeasance Obligations shall, if permitted by the Code, and to the extent practicable, be reinvested in Defeasance Obligations maturing at times and in amounts sufficient to pay when due the principal or Redemption Price, if applicable, and interest to become due on said Bonds on and prior to such redemption date or maturity date thereof, as the case may be.

SECTION 1102. Evidence of Signatures of Bondholders and Ownership of Bonds. (a) Any request, consent, revocation of consent or other instrument which the Bond Ordinance may require or permit to be signed and executed by the Owners may be in one or more instruments of similar tenor, and shall be signed or executed by such Owners in person or

by their attorneys-in-fact appointed in writing. Proof of (i) the execution of any such instrument, or of an instrument appointing any such attorney, or (ii) the ownership by any person of the Bonds shall be sufficient for any purpose of the Bond Ordinance (except as otherwise therein expressly provided) if made in the following manner, or in any other manner satisfactory to the Paying Agent, which may nevertheless in its discretion require further or other proof in cases where it deems the same desirable:

(1) the fact and date of the execution by any Owner or his attorney-in-fact of such instrument may be proved by the certificate, which need not be acknowledged or verified, of an officer of a bank or trust company or of any notary public or other officer authorized to take acknowledgements of deeds, that the person signing such request or other instrument acknowledged to him the execution thereof, or by an affidavit of a witness of such execution, duly sworn to before such notary public or other officer. Where such execution is by an officer of a corporation or association or a member of a partnership, on behalf of such corporation, association or partnership, such certificate or affidavit shall also constitute sufficient proof of his authority;

(2) the ownership of Bonds and the amount, numbers and other identification, and date of owning the same shall be proved by the registration books.

(b) Any request or consent by the Owner of any Bond shall bind all future Owners of such Bond in respect of anything done or suffered to be done by the Issuer or the Paying Agent in accordance therewith.

SECTION 1103. Moneys Held for Particular Bonds. The amounts held by the Paying Agent for the payment due on any date with respect to particular Bonds shall, on and after such date and pending such payment, be set aside on its books and held in trust by it, without liability for interest, for the Owners of the Bonds entitled thereto.

SECTION 1104. Parties Interested Herein. Nothing in the Bond Ordinance expressed or implied is intended or shall be construed to confer upon, or to give to, any person or entity, other than the Issuer, the Paying Agent, and the Owners of the Bonds any right, remedy or claim under or by reason of this Bond Ordinance or any covenant, condition or stipulation thereof; and all the covenants, stipulations, promises and agreements in this Bond Ordinance contained by and on behalf of the Issuer shall be for the sole and exclusive benefit of the Issuer, the Paying Agent, and the Owners of the Bonds.

SECTION 1105. No Recourse on the Bonds. No recourse shall be had for the payment of the principal of or interest on the Bonds or for any claim based thereon or on this

relating to their authorization and issuance, for any cause whatever. Thereafter, it shall be conclusively presumed that the Bonds are legal and that every legal requirement for the issuance of the Bonds has been complied with. No court shall have authority to inquire into any of these matters after the said thirty days.

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

RESOLUTION NO. 041 OF 2013

RESOLUTION AUTHORIZING THE MAYOR TO RE-APPLY WITH THE STATE OF LOUISIANA FOR INCLUSION IN THE FEDERAL STORM WATER DISCHARGE PERMIT

WHEREAS, The Department of Environmental Quality has issued to the State of Louisiana, a new permit for Storm Water Discharge effective January 2013; and

WHEREAS, The State of Louisiana has established an application period in which municipalities are required to re-apply with the State of Louisiana for inclusion in the Federal Storm Water Discharge permit; and

WHEREAS, Natchitoches has participated in the Louisiana Pollutant Discharge Elimination System (LPDES) (MS-4) program since its inception in 2002; and

WHEREAS, The City of Natchitoches desires to continue its participation in the LPDES program as required in LAC 33: IX.2341 and LAC 33:IX.2346-2352; and

THEREFORE, BE IT RESOLVED, that the Honorable Lee Posey, Mayor is hereby authorized, empowered and directed to sign any and all documents relating to the Small Municipal Separate Storm Sewer System General Permit (MS4-G) under the Louisiana Pollution Discharge Elimination System (LPDES).

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 24th day of June, 2013.



LEE POSEY, MAYOR

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

RESOLUTION NO. 042 OF 2013

**A RESOLUTION AUTHORIZING THE MAYOR OF
THE CITY OF NATCHITOCHEs, LEE POSEY, TO
ENTER INTO A GENERAL SERVICES AGREEMENT
WITH AIRPORT DEVELOPMENT GROUP**

WHEREAS, the City of Natchitoches, Louisiana, (sometimes hereinafter City) is a political subdivision of the State of Louisiana being a Home Rule Charter municipality created pursuant to the Constitution and Revised Statutes of the State of Louisiana; and

WHEREAS FURTHER, the City and the Natchitoches Airport Commission solicited proposals for engineering services under Request for Qualifications #0107 and received proposals from KSA Alliance, Inc., of Shreveport, Louisiana; and Airport Development Group of Jackson, Mississippi; and

WHEREAS FURTHER, the proposals received have been reviewed by a committee of Edd Lee, Larry Cooper, Stanley Salter and the committee was unanimous in its decision to award RFQ #0107 to **Airport Development Group** of Jackson, Mississippi for a three-year term, with the option of two additional one-year terms, assuming all conditions of the previous term were satisfactorily met; and

WHEREAS FURTHER, on June 17, 2013, the Natchitoches Airport Commission approved Resolution No. 18 of 2013 (attached hereto) recommending that the City and the Natchitoches Airport Commission enter into a General Services Agreement with **Airport Development Group**.

WHEREAS FURTHER, after reading the recommendation of the Natchitoches Regional Airport committee, the City Council of the City of Natchitoches is of the opinion that it is in the interest of the City to enter into the General Services Agreement with Airport Development Group and desires to authorize Mayor Lee Posey to execute the Agreement and all attachments thereto.

NOW THEREFORE BE IT RESOLVED by the City Council in regular session convened as follows:

I. That the recommendations of the Airport Committee are accepted, and the Resolution No. 18 of 2013 passed by the Natchitoches Airport Commission (attached hereto) is acknowledged and the City Council of the City of Natchitoches does hereby approve of the proposal submitted on behalf of Airport Development Group.

II. That the Honorable Mayor, Lee Posey, be and he is hereby authorized and empowered to execute the General Services Agreement and all attachments thereto and any other document that may be required to complete the Agreement on behalf of the **CITY**. The said Mayor is hereby given full and complete authority to incorporate in said instrument such terms, conditions, and agreements as may be necessary to protect the interest of the **CITY** in substantial compliance with the general terms and conditions set forth in this Ordinance.

III. That this Resolution was duly advertised in *The Natchitoches Times* on March 7, 2013 and in Capital City Press the publisher of the Advocate on March 7, 2013.

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 24th day of June, 2013.



LEE POSEY, MAYOR

NOW THEREFORE BE IT RESOLVED, by the City Council in regular session convened as follows:

- I.** That the recommendations of the Airport Committee are accepted, and the Resolution No. 18 of 2013 passed by the Natchitoches Airport Commission (attached hereto) is acknowledged and the City Council of the City of Natchitoches does hereby approve of the proposal submitted on behalf of **Airport Development Group**.
- II.** That the Honorable Mayor, Lee Posey, be and he is hereby authorized and empowered to execute the General Services Agreement and all attachments thereto and any other document that may be required to complete the Agreement on behalf of the **CITY** in substantial compliance with the general terms and conditions set forth in this Ordinance.
- III.** That this Resolution was duly advertised in *The Natchitoches Times* on March 7, 2013 and in *Capital City Press* the publisher of the *Advocate* on March 7, 2013.

THUS DONE AND SIGNED this 17th day of June 2013 as per agreement of the members of the Natchitoches Airport Commission at its regular monthly meeting held on, Monday, June 17, 2013.

Natchitoches Airport Commission



STANLEY SALTER, Chair

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

RESOLUTION NO. 043 OF 2013

A RESOLUTION AUTHORIZING THE MAYOR TO ENTER INTO A MAINTENANCE AGREEMENT, INCLUDING MOWING AND LITTER PICKUP, WITH THE STATE OF LOUISIANA, DEPARTMENT OF TRANSPORTATION AND DEVELOPMENT, OFFICE OF ENGINEERING FOR THE PERIOD JULY 1, 2013 THROUGH JUNE 30, 2014

WHEREAS, pursuant to the provisions of LSA-R.S. 48:193, the Louisiana Department of Transportation and Development, Office of Engineering, is directed to repair and to keep in operating condition, at its sole cost and expense, all municipal roads or streets within the State Highway System as it is defined in LSA-R.S. 48:191, hereinafter sometimes referred to as the “State Highway System” or “State Roadway”; and

WHEREAS, further LSA-R.S. 48:193 authorizes municipalities to request that the repair and maintenance of said State Roadways located within a respective municipality be performed by the municipality, at the State’s expense; and

WHEREAS, DOTD lacks sufficient personnel and equipment to perform mowing and litter collection on a routine and continuing basis and wishes to enter into an agreement with the City of Natchitoches to perform maintenance directly related to mowing and litter collection on the State Roadways within the City of Natchitoches.

WHEREAS, this agreement applies only to the roads and streets identified on the DOTD’s List of Routes for Maintenance Agreement which shall include all rights-of-ways and roadway shoulders associated with the State Roadways; and

WHEREAS, the City of Natchitoches shall be reimbursed by DOTD the amount of \$875.00 per cycle, per mile for Interstate Roadways; \$500.00 per cycle, per mile for divided State Roadways; and \$250.00 per cycle per mile for undivided State Roadways; and

WHEREAS, the total mileage to be maintained by the City of Natchitoches pursuant to this Agreement and for which the City is entitled to reimbursement by DOTD is 24.88 miles, of which 0.0 miles are Interstate Roadways; 4.40 miles are divided State Roadways; and 20.48 are undivided State Roadways, for the total maximum amount for which the City may claim reimbursement is \$29,280.00; and

WHEREAS, The Agreement for said maintenance shall begin July 1, 2013 and end June 30, 2014, unless Agreement is earlier terminated as conditioned by the Agreement.

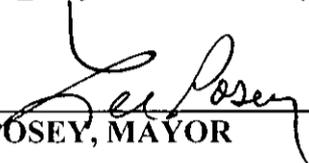
NOW, THEREFORE, BE IT RESOLVED, that the Natchitoches City Council, in legal session convened, does hereby authorize the Mayor to enter into a Maintenance Agreement, Including Mowing and Litter Pickup, with the State of Department of Transportation and Development.

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 24th day of June, 2013.



LEE POSEY, MAYOR

**MAINTENANCE AGREEMENT
INCLUDING MOWING AND LITTER PICKUP**

FOR THE FISCAL YEAR ENDING JUNE 30, 2014

BETWEEN

NATCHITOCHE

AND

**STATE OF LOUISIANA
DEPARTMENT OF TRANSPORTATION AND DEVELOPMENT
OFFICE OF ENGINEERING**

AGREEMENT

This **AGREEMENT**, ("Agreement") is made and entered into this 2nd day of July, 2013, by and between the **STATE OF LOUISIANA**, through the Department of Transportation and Development, hereinafter referred to as ("**DOTD**"), represented herein by its Secretary or his duly authorized designee, and the City of **Natchitoches**, hereinafter referred to as ("**Municipality**"), appearing herein through its Mayor, Lee Posey, duly authorized.

WITNESSETH:

WHEREAS, pursuant to the provisions of LSA-R.S. 48:193, **DOTD** is directed to repair and to keep in operating condition, at its sole cost and expense, all municipal roads and streets within the State Highway System as it is defined in LSA- R.S. 48:191, hereinafter sometimes referred to as the "State Highway System" or "State Roadway"; and

WHEREAS, further, LSA-R.S. 48:193 authorizes municipalities to request that the repair and maintenance of said State Roadways located within their respective municipalities be performed by the municipality, at the State's expense; and

WHEREAS, **DOTD** lacks sufficient personnel and equipment to perform mowing and litter collection on a routine and continuing basis and wishes to enter into an agreement with the **Municipality** to perform maintenance directly related to mowing and litter collection on the State Roadways located within the City of Natchitoches; and

NOW, THEREFORE, it is hereby agreed between **DOTD** and **Municipality**:

ARTICLE I: Covered Roadways:

This Agreement applies only to those State Roadways identified on the List of Routes for Maintenance Agreement shown on Exhibit "A", a copy of which is appended hereto and made a part hereof by reference. These State Roadways are collectively referred to as "State Roadways" and, for purposes of this Agreement, the term "State Roadway" shall include all rights of ways and roadway shoulders associated with the State Roadways.

ARTICLE II. Mowing Litter and Trash Collection

The **Municipality** shall conduct its operation in a manner such that the safety and convenience of the public shall be regarded as a priority. All equipment and traffic control devices shall be in accordance with the Manual on Uniform Traffic Control Devices. The **DOTD** reserves the right to stop the **Municipality** from working or order any piece of equipment removed from the roadway or right of way should it be determined that the minimum safety standards are not being met.

The **Municipality** shall pick up and properly dispose of all trash and debris located on the State Roadways prior to conducting mowing operations. Litter and trash collection shall precede the mowing operation by no more than 24 hours. The **Municipality** shall perform litter and debris pick-up on all grass and vegetative areas, ditches, paved roadside shoulders and areas beneath overhead bridges and roadways. All litter, trash and debris uncovered by the mowing operation shall be picked up within 48 hours of the mowing operation. All litter, trash and debris shall be collected and piled or bagged off of the travel lanes and paved shoulders of the State Roadways and must be removed from the right-of-ways by the close of business the same workday that it is collected. **Municipality** shall provide, at its own expense, all equipment necessary to perform the duties provided for in this Agreement, including but not limited to, all trash bags, mowing and trimming equipment and herbicide applicators. **Municipality** shall record and document the amount of litter collected and report these amounts to the appropriate DOTD District Engineer at the time invoices are submitted for payment.

For purposes of this agreement litter, trash and debris shall mean all trash, debris, litter, junk, rubbish, paper, cardboard, glass, cans, discarded items, garbage, old tires, treads, dead trees, wood materials, concrete, etc. The Municipality will not be required to pick up every isolated cigarette butt, chip of glass or similar small objects.

The **Municipality** shall mow grass and cut or otherwise control mowable vegetation along ditches, around signs, guardrails and bridge ends, trim overhanging grass along curbs, and remove litter and debris within the designated, dedicated or apparent right of way. For purposes of this Agreement, Mowable vegetation is defined as any trees, vegetation, brush, etc., that is two inches in diameter or less measured five inches above the ground. Mowing and litter removal shall be accomplished a minimum of four (4) times per year. The dates of the mowing operations shall be set forth on the Mowing Plan submitted by Municipality to Roadside Development Coordinator assigned to the **DOTD** District where the mowing operations are to take place.

Natural stands or planted stands of wildflowers shall not be cut until after seed heads have formed unless, in the opinion of **DOTD** District Administrator, the flowers are causing a traffic hazard or have a very undesirable appearance.

If, during the term of this Agreement, **DOTD** alters or makes repairs to State Roadways covered by this Agreement, **DOTD** will initiate contact with the **Municipality** to revise mowing and litter pick-up practices for the applicable State Roadway.

The **Municipality** shall be responsible for payments to its employees and contractors who perform work pursuant to this Agreement and shall be responsible for payroll taxes and benefits due each employee who is assigned to work pursuant to this Agreement.

Nothing herein is intended to create a statutory employer relationship between **DOTD** and the employees or contractors of the **Municipality**.

ARTICLE III: Use of Herbicide/Chemicals in Mowing Operations

The **Municipality** may utilize Vegetation Management Plans involving the use of herbicides/chemicals by the **Municipality**, provided that the **Municipality** obtains written approval from the **DOTD** District Administrator. The **Municipality** may elect to enter into a contract with third parties to administer herbicides. The following conditions shall apply to all Vegetation Management Plans involving the use of herbicides/chemicals whether performed by the **Municipality** or its contractor:

All liability arising from the use or misuse herbicides/chemicals pursuant to this Agreement shall be the responsibility of the **Municipality** and, when applicable, the **Municipality's** contractor making said chemical applications.

Municipality shall notify **DOTD** of its intention to apply chemicals for growth retarding purposes. Said notification shall be in writing and shall be included in the **Municipality's** Roadside Management Plan. The Roadside Management Plan shall include projected mowing and spraying schedules for the yearly contract. All herbicide applicators must possess a Category 6 Pesticide Applicators license obtained through the Louisiana Department of Agriculture and Forestry. A copy of licenses shall be included in the **Municipality's** Management Plan if the work is to be performed by **Municipality** employees. If herbicide/chemical application will be performed by **Municipality's** contractor, proof of insurance and required Louisiana licensing procedures shall be followed. The **DOTD** reserves the right to inspect and approve all forms of application equipment when making herbicide/chemical applications to **DOTD** Roadways and rights of ways.

All herbicide/chemical applications performed from the traveling roadway shall be performed in accordance with **DOTD's** "Safety Policy and Procedure Manual". This shall include, but is not limited to, the use of arrow boards and crash attenuators when applications are made from the inside lane or fast-moving lane on divided highways. The **DOTD** reserves the right to approve all herbicides/chemicals used in herbicide/chemical treatments to **DOTD** rights of ways. A list of herbicides/chemicals and the quantities to be used are contained in the **DOTD** Policy for Roadside Management. The **DOTD** reserves the right to disallow the use of Integrated Roadside Management practices in sensitive areas or sites or sites deemed by **DOTD** as unsuitable for such practices.

The **Municipality** or its contractor shall consult with the **DOTD** Roadside Development Coordinator, on an annual basis, to verify whether any of these conditions exist.

The maximum number of generalized herbicide applications, shall be limited to two (2) per growing season.

The maximum number of generalized seed-head suppression applications shall be limited to two (2) per growing season.

A combination of the above two types of spraying maybe allowed, but no more than two in any given growing season.

Further, there shall be a contract mowing cycle interspersed between any two herbicide applications.

Spot Treatments:

Spot treatments for weed control shall be allowed. Products used for spot treatments shall have no injurious effects to the predominant turf grass. Chemical control of grasses and weeds around signs, guardrails, light standards, revetments and bridge ends will be allowed. The Municipality shall obtain prior approval from the District Roadside Development Coordinator for the chemicals used by the **Municipality** for spot treatments.

All concerns or questions relating to the use of herbicides shall be directed to the **DOTD** District Administrator.

ARTICLE IV: Reimbursement

DOTD will reimburse the **Municipality** on a semi-annual basis for work performed pursuant to this Agreement.

ARTICLE V: Payments

Municipality shall be reimbursed by **DOTD** the amount of Eight Hundred Seventy Five and 00/100 Dollars, (\$875.00) per cycle, per mile for Interstate Roadways; Five Hundred and 00/100 Dollars, (\$500.00) per cycle, per mile for divided State Roadways; and Two Hundred Fifty and 00/100 Dollars (\$250.00) per cycle, per mile for undivided State Roadways. All such payments shall be for work performed under the provisions of Article II - Litter and Trash Collection of this Agreement.

The total mileage to be maintained by the **Municipality** pursuant to this Agreement and for which the **Municipality** is entitled to reimbursement by **DOTD** is **24.88** miles. Of this, **0.00** miles are Interstate Roadways; **4.40** miles are divided State Roadways and **20.48** miles are undivided State Roadways. The total maximum amount for which the **Municipality** may claim reimbursement is **TWENTY-NINE THOUSAND TWO HUNDRED EIGHTY AND 00/100 DOLLARS, (\$ 29,280.00)**. It is understood and agreed that the rates per cycle, per mile at which the **Municipality** is to be reimbursed are without regard to the type of wearing surface of the traffic lanes or other features of the State and Interstate Roadways covered by this Agreement.

ARTICLE VI: Substandard Performance

If, in the opinion of the **DOTD** District Administrator, the **Municipality** has failed to properly fulfill its obligation with respect to any or all State Roadways covered by this Agreement, and after the **Municipality** has been notified in writing and given adequate opportunity to correct the condition, the **Municipality** has failed or refuses to correct said problem, the **DOTD's** District Administrator may order the **DOTD** maintenance forces to perform such work as, in his or her opinion, is necessary for the proper maintenance of the State Roadways and the **DOTD** may deduct the cost thereof from any monies due or that become due to **Municipality**.

ARTICLE VII: Indemnification

The **Municipality** shall defend, indemnify, save and hold harmless the State of Louisiana, through the Department of Transportation and Development, its offices, agents, servants and employees, including volunteers, from and against any and all claims, demands, suits, judgments of sums of money, attorneys' fees, court costs, expense and liability, to any party or third person, including, but not limited to, amounts for or arising out of injury or death to any person for loss of life, injury, damage, loss or destruction of any property, or damages for tort or breach of contract or any other basis of liability growing out of, resulting from, or by reason or any act, omission, operation or work of the **Municipality**, its agents, contractors, servants and employees, or on account of negligence in safeguarding the work or through use of unacceptable materials in maintaining the work, or because of any negligent act, omission or misconduct of the municipality, or because of claims or amount recovered from infringement of patent, trademark or copy right, or from claims or amounts arising or recovered under Worker's Compensation Act, or other law, ordinance, order or decree, or any and all costs, expense and/or attorneys' fees incurred by the municipality or **DOTD** as a result of any claims, demands, and/or causes of action while engaged upon or in connection with the performance of this Agreement by the **Municipality** or its contractors, employees, agents and assigns under this Agreement, except for those claims, demands, and/or causes of action arising out of the sole negligence of the Department or its agents, representatives and/or employees. The **Municipality** agrees to investigate, handle, respond to, provide defense for and defend, any such claims, demand or suit at its sole expense and agrees to bear all other costs and expenses related thereto, even if such claim, demand or suit is groundless, false or fraudulent.

ARTICLE VIII: Funding Contingency

The continuation of this Agreement is contingent upon the appropriation of funds by the Louisiana State Legislature to the **DOTD** to fulfill the requirements of this Agreement. If the Legislature fails to appropriate sufficient monies to provide the continuation of this Agreement, or if such appropriation is reduced by veto of the Governor or by any means provided in the appropriations act to prevent the total appropriation for the year from exceeding revenues for that year or for any other lawful purpose, and the effect of such reduction is to provide insufficient monies for the continuation of this Agreement, this Agreement shall be reduced or terminate on the date said funds are no longer available.

ARTICLE IX: Limitation On Use of State Funds

The **Municipality** agrees to use the funds provided by the State through **DOTD** only for the services authorized in this Agreement and in accordance with constitutional and statutory restrictions on the use of State funds for public purposes.

ARTICLE X: Term and Cancellation

This Agreement shall begin on **July 1, 2013**, and shall end on **June 30, 2014**, but may be terminated earlier under any or all of the following conditions:

By mutual agreement and consent of the parties hereto.

By the **DOTD** as a consequence of the failure of the **Municipality** to comply with the terms or quality of work in a satisfactory manner.

By either party upon failure of the other party to fulfill its obligations as set forth in this Agreement.

By either party giving thirty (30) days written notice to the other party.

By the **DOTD** upon withdrawal or reduction of funding by the Louisiana Legislature or by any other lawful manner.

By either party as the result of an Act of God that prohibits performance, by either party, of duties proscribed in this Agreement.

If termination is made under condition four (4), above, after work has begun, the **Municipality** will be paid for all services rendered to date of termination.

DOTD may, at its option, suspend the services performed pursuant to this Agreement, without penalty of any kind, and without terminating the Agreement. Should the **DOTD** desire to exercise this right of suspension, it may do so by providing the **Municipality** with prior written notice of its intent to suspend the Agreement, thirty (30) days in advance of the effective date of suspension. The Agreement may be reinstated and resumed in full force and effect by **DOTD** by providing the **Municipality** with sixty (60) days written notice to that effect.

ARTICLE XI: Claims for Liens

The **Municipality** shall hold the **DOTD** harmless from any and all claims for liens for labor, services or materials furnished to the **Municipality** in connection with the performance of his obligations under this Agreement.

ARTICLE XII: Compliance With Laws

The **Municipality** agrees to abide by the requirements of the following as applicable: Title VI and Title VII of the Civil Rights Act of 1964, as amended by the Equal Employment Opportunity Act of 1972, Federal Executive Order 11246 as amended, the Rehabilitation Act of 1973, as amended, the Vietnam Era Veteran's Readjustment Assistance Act of 1974, Title IX of the Education Amendments of 1972, the Age Discrimination Act of 1975, the Fair Housing Act of 1968 as amended, and the **Municipality** agrees to abide by the requirements of the Americans with Disabilities Act of 1990.

ARTICLE XIII: Agreement Modifications

Any changes or modifications to the terms of this Agreement must be made by a fully executed Supplemental Agreement.

ARTICLE XIV: Disputes

Any dispute concerning a question of fact in connection with the work not disposed of by this Agreement or by agreement of the parties shall be referred to the **DOTD's** Secretary or his duly authorized representative for determination, whose decision in the matter shall be final and conclusive on the parties to this Agreement.

ARTICLE XV: Record Keeping, Reporting and Audits

The **Municipality** shall maintain all books, documents, papers, accounting records and other evidence pertaining to costs incurred relative to this project and shall make such materials available at their respective offices at all reasonable times during the Agreement period and for three years from the date of final payment under this

Agreement, for inspection by the **DOTD** Audit Control Section, the Legislative Auditor, and/or the Office of the Governor, Division of Administration Auditors under State and Federal Regulations effective as of the date of this Agreement and copies thereof shall be furnished if requested.

ARTICLE XVI: Covenant Against Contingent Fees

The **Municipality** warrants that it has not employed or retained any company or person, other than a bona fide employee working solely for the **Municipality** to solicit or secure this Agreement and that it has not paid or agreed to pay any company or person, other than a bona fide employee working solely for the **Municipality**, any fee, commission, percentage, brokerage fee, gifts, or any other consideration, contingent upon or resulting from the award or making of this Agreement.

The **DOTD** shall have the right to annul this Agreement without liability or, in its discretion, deduct from the Agreement price or consideration, or otherwise recover, the full amount of such fee, commission, percentage, brokerage fee, gift or contingent fee if the **Municipality** breaches or violates this warranty.

No member of or delegate to Congress or resident commissioner shall be entitled to any share or part of this Agreement or to any benefit that may arise there from, but this provision shall not be construed to extend to a contract if made with a corporation for its general benefit.

ARTICLE XVII: Subletting, Assignment or Transfer

The **Municipality** shall not subcontract any of his duties or responsibilities under this Agreement without the express written consent of **DOTD**.

The **Municipality** shall not assign any interest in this Agreement and shall not transfer any interest in same, whether by assignment or novation, without prior written consent of the **DOTD**, provided however, that claims for money due or to become due to the **Municipality** from **DOTD** may be assigned to a bank, trust company, or other financial institution without prior written consent. Notice of any such assignment or transfer shall be furnished promptly to the **DOTD**.

ARTICLE XVIII: Successors and Assigns

This Agreement shall be binding upon the successors and assigns of the respective parties hereto.

THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK

WITNESS WHEREOF, the parties hereto have caused this agreement to be executed by their respective officers, thereunto duly authorized as of the day and year first above written.

THUS DONE AND SIGNED at Natchitoches, Louisiana, this 28 day of June, 2013.

WITNESSES

Stacy Maloney

Hannah Weingart

Municipality

BY: Lee Posey

(Signed Name)

Lee Posey
(Printed Name)

Municipality City of Natchitoches

Address Post Office Box 37 Natchitoches, LA 71458

(318) 352-2772 (Phone)

(318) 357-3829 (Fax)

Tax ID. # 726000931

THUS DONE AND SIGNED at Alexandria, Louisiana, this 2nd day of July, 2013.

WITNESSES:

DOTD

Lara Paul

Ray Lemoine

BY: Murphy J. Ledoux, Jr.

MURPHY J. LEDOUX, JR.
DISTRICT ENGINEER ADMINISTRATOR

"EXHIBIT A"

NATCHITOCHE

| DESCRIPTION | MILEAGE | | CNTRL. SECTION |
|---|----------------|-----------|---------------------------|
| La. 494 (Begin at City Limits to Jct. La. 1 on Keyser Ave.) | 1.60 | Undivided | 835-06 |
| La. 1224 (Begin on La. 1 at Church St. Bridge to East City Limits) | 2.00 | Undivided | 835-11 |
| La. 1223 (Begin La. 1 Business to Jct. La. 6) | 1.18 | Undivided | 835-13 |
| La. 6 (Begin Jct La. 1 Business to East City Limits) | 2.00 | Undivided | 34-06 |
| La. 1 (Begin Jct. La. 6 at Church St. Bridge to Jct. La. 1) | 1.90 | Undivided | 53-05 |
| La. 3191 (Begin Jct. La. 1 and West City Limits) | 0.60 | Undivided | 53-05 |
| La. 1 (Begin at End of Four Lane 0.5 N at La. 1 bypass to Jct La. 6 at Church St.) | 2.20 | Undivided | 53-04 |
| La. 6 (Begin at Entrance to Northwestern Jr. High to Jct. La. 1 Business at Church St.) | 1.70 | Undivided | 34-05 |
| La. 1 (Begin at Jct. La. 1 Business to East City Limits Past La. 3175) | 5.90 | Undivided | 34-05 |
| La. 6 (Jct La. 1 to Jct La. 6) | 1.40 | Undivided | 835-17 |
| La. 1 (Begin 200' South of Jct La. 1 to 0.5 mi North of La. 1 Bypass) | 0.50 | Divided | 53-04 |
| La. 6 (Begin at North City Limits to Entrance Northwestern Jr. High) | 3.90 | Divided | 34-05 |

Total Miles Divided 4.40

Total Miles Undivided 20.48

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

RESOLUTION NO. 044 OF 2013

**A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE
CHANGE ORDER NO. 1 - FINAL TO THE
WATER SYSTEM IMPROVEMENTS
PILGRIM'S PRIDE ELEVATED WATER TANK REPAINTING**

(BID NO. 0530)

WHEREAS, the City of Natchitoches awarded a contract to Diamond Enterprise, Inc., the Contractor for the Project, by Ordinance No. 043 of 2012 on August 27, 2012 in the base bid amount of \$284,600.00 for the Water System Improvements, Pilgrim's Pride Elevated Water Tank Repainting (Bid No. 0530); and,

WHEREAS, the Engineer, Norman Nassif of Nassif Engineering & Architecture, LLC, has recommended Change Order No. 1 - Final dated June 24, 2013 (attached) reflecting an increase of \$ 1,439.00 to the contract price for additional required work; and

WHEREAS, additionally, the Engineer, Norman Nassif of Nassif Engineering & Architecture, LLC, has recommended Change Order No. 1 - Final dated June 24, 2013 (attached) reflecting an additional 160 days to the contract time; and

WHEREAS, Nassif Engineering & Architecture, LLC, project Engineer, recommends approval of Change Order No. 1 - Final; and

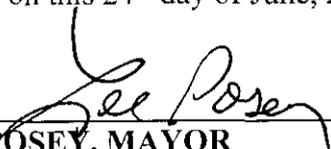
WHEREAS, the City is of the opinion that Change Order No. 1 - Final is in the best interest of the City.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Natchitoches, in legal session convened, that the Honorable Lee Posey, Mayor, be and is hereby authorized, empowered and directed to execute the referenced *Change Order No. 1 - Final* to the agreement between the City and the Contractor.

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 24th day of June, 2013.



LEE POSEY, MAYOR

CHANGE ORDER

 ORIGINAL

Change Order No.: One (1) - Final

Change Order Date: June 24, 2013

PROJECT: Water System Improvements - Pilgrim's Pride Elevated Water Tank Painting

OWNER: City of Natchitoches

CONTRACTOR: Diamond Enterprise, Inc.

The Contract Documents are modified as follows upon execution of this Change Order:

1. The following work items are hereby added to the construction contract:

| | |
|--|--------------------|
| a. Repair two to three holes in the rooftop of the tank | \$ 125.00 |
| b. Remove and dispose conduit on tank not being used | \$ 825.00 |
| c. Install light stand on top of tank | \$ 100.00 |
| d. Tighten four to five needle rods | \$ 375.00 |
| e. Provide and install new 24" vent with screen at top of tank | \$ 3,200.00 |
| f. Provide and install mid-rail on catwalk guardrail | <u>\$ 1,800.00</u> |
| Subtotal: | <u>\$ 6,425.00</u> |

2. Adjustment to the construction contract as follows:

| | |
|---|---------------|
| a. Deduct for repair of strobe light as damaged by contractor | (\$ 4,986.00) |
|---|---------------|

3. Total Contract Price Change: \$ 1,439.00

4. Change in Contract Time:
 Contract time extension as a result of inclement weather. Revised Substantial Completion and Final Completion are June 24, 2013 and August 8, 2013 accordingly.

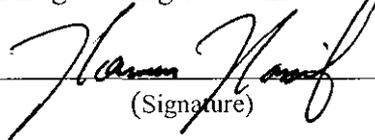
Change in Contract Price:

| | |
|--|----------------------|
| Original Contract Price: | \$ <u>284,600.00</u> |
| Contract Price adjusted by prior Change Orders..... | \$ <u>N/A</u> |
| Contract Price due to this Change Order (will increase): | \$ <u>1,439.00</u> |
| Contract Price incorporating this Change Order will be:..... | \$ <u>286,039.00</u> |

Change in Contract Time:

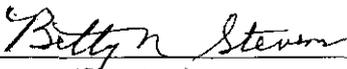
Original Contract Time (calendar days)..... 120
Contract Time adjusted by prior Change Orders N/A
Contract Time due to this Change Order (will increase): 160
Contract Time incorporating this Change Order will be: 280

Recommended by (Engineer): Nassif Engineering & Architecture, LLC


(Signature)

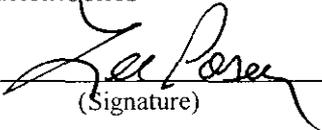
6/24/13
Date

Accepted by (Contractor): Diamond Enterprise, Inc.


(Signature)

7-15-13
Date

Approved by (Owner): City of Natchitoches


(Signature)

6/25/13
Date

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

RESOLUTION NO. 045 OF 2013

A RESOLUTION AUTHORIZING THE EXECUTION OF THE CERTIFICATE OF SUBSTANTIAL COMPLETION FOR THE WATER SYSTEM IMPROVEMENTS, PILGRIM'S PRIDE ELEVATED TANK REPAINTING

(BID NO. 0530)

WHEREAS, the City of Natchitoches awarded the contract for the Water System Improvements, Pilgrim's Pride Elevated Water Tank Repainting (Bid No. 0530) to Diamond Enterprise, Inc. by Ordinance No. 043 of 2012 on August 27, 2012 in the amount of \$284,600.00; and

WHEREAS, it is the opinion of Norman Nassif of Nassif Engineering & Architecture, LLC that the work required by the Contract is found to be substantially completed and in general conformity with the project plans and specifications as shown by his signature on the Certificate of Substantial Completion.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Natchitoches, in legal session convened:

SECTION 1: That the Honorable Lee Posey, Mayor, be and is hereby authorized, empowered and directed to accept the work performed by Contractor in association with the said project and to execute the Certificate of Substantial Completion therewith when presented and approved by the Engineer; and

SECTION 2: That the Honorable Lee Posey, Mayor, be and is hereby authorized, empowered and directed to issue final payment to the Contractor upon receipt of the Clear Lien Certificate issued by the Natchitoches Parish Clerk of Court, and upon the recommendation of the Engineer to issue said final payment.

NOW, THEREFORE, BE IT RESOLVED, that the Natchitoches City Council does hereby authorize the Mayor to execute the Certificate of Substantial Completion for the Water System Improvements, Pilgrim's Pride Elevated Water Tank Repainting (Bid No. 0530) and upon presentation and approval by the engineer, Norman Nassif.

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 24th day of June, 2013.



LEE POSEY, MAYOR

Certificate of Substantial Completion

ORIGINAL

Project: Water System Improvements – Pilgrim's Pride Elevated Water Tank Repainting
Owner: City of Natchitoches
Contractor: Diamond Enterprise, Inc.
Date of Contract: October 10, 2012

This Certificate of Substantial Completion applies to all Work under the Contract Documents.

June 24, 2013
Date of Substantial Completion

The Work to which this Certificate applies has been inspected by authorized representatives of Owner, Contractor and Engineer, and found to be substantially complete. The Date of Substantial Completion of the Project or portion thereof designated above is hereby declared and is also the date of commencement of applicable warranties required by the Contract Documents, except as stated below.

As applicable, a tentative list of items to be completed or corrected may be attached hereto. This list may not be all-inclusive, and the failure to include any items on such list does not alter the responsibility of the Contractor to complete all Work in accordance with the Contract Documents.

The responsibilities between OWNER and CONTRACTOR for security, operation, safety, maintenance, heat, utilities, insurance and warranties shall be as provided in the Contract Documents except as amended as follows:

Owner's Amended Responsibilities:

Security, Operation, Safety, Maintenance and Insurance.

Contractor's Amended Responsibilities:

Contractor shall maintain a Performance Bond for this project for a minimum of one year from the designated Substantial Completion date (June 24, 2014).

Contractor shall conduct an 11 month inspection (First Anniversary Inspection) and repair any defects found during the inspection. The tentative date for the inspection is May 24, 2014.

The following documents are attached to and made part of this Certificate:

(None)

This Certificate does not constitute an acceptance of Work not in accordance with the Contract Documents nor is it a release of Contractor's obligation to complete the Work in accordance with the Contract Documents.

Executed by Owner:

City of Natchitoches

Lee Posey
Lee Posey

6/25/13
Date

Executed by Engineer:

Nassif Engineering & Architecture, LLC

Norman Nassif
Norman Nassif

6/24/13
Date

Accepted by Contractor:

Diamond Enterprise, Inc.

Betty N. Stevens
Betty N. Stevens

7-15-13
Date

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

RESOLUTION NO. 046 OF 2013

RESOLUTION AUTHORIZING MAYOR LEE POSEY TO EXECUTE AN AGREEMENT WITH THE LOUISIANA OFFICE OF COMMUNITY DEVELOPMENT FOR THE FY 2013 STREET IMPROVEMENTS AND TO ADOPT THE PLANS, POLICIES, APPOINTMENTS AND AUTHORIZATION OF INDIVIDUALS FOR COMPLIANCE WITH THE LOUISIANA COMMUNITY DEVELOPMENT BLOCK GRANT (LCDBG) REGULATIONS FOR THE FY 2013

WHEREAS, the City of Natchitoches has been awarded a Louisiana Community Development Block Grant (LCDBG) for street improvements; and

WHEREAS, the LCDBG Program requires the adoption of plans and policies, appointments and authorization of individuals for compliance with the LCDBG regulations;

WHEREAS, it is necessary under the regulations of the LCDBG Program to authorize certain individuals to sign for Requests for Payment for LCDBG funds and to authorize one individual to certify to the correctness of each signature, designate an official depository to hold LCDBG funds and authorize certain individuals to sign checks on the official depository;

NOW THEREFORE BE IT RESOLVED by the City of Natchitoches in regular session convened that the following plans and policies be adopted; (1) Procurement Policy, (2) Residential Antidisplacement and Relocation Assistance Plan and (3) Policy Statement for Communicating Information to Persons with Sensory Impairments and (4) Grievance Procedure;

BE IT FURTHER RESOLVED that the following appointments and authorization of individuals are made; (1) Handicapped/Section 504 Compliance/Coordinator – Stacy M. McQueary (2) Antidisplacement Coordinator – Stacy M. McQueary, (3) Equal Employment Officer – Stacy M. McQueary, (4) Citizen Complaint Officer – Stacy M. McQueary, (5) Labor Compliance Officer - LCDBG Administrator, and (6) Authorize the Mayor to sign all documents pertaining to the LCDBG Program, and authorizing the Mayor to sign the CDBG contract for the FY 2013.

BE IT FURTHER RESOLVED Lee Posey, Don Mims, Jr., Patrick Jones and Randy LaCaze are hereby authorized to sign for Requests for Payment; Stacy M. McQueary shall certify to the correctness of each signature, that Mid South Bank is hereby designated as the official depository of all LCDBG funds and that Lee Posey and Patrick Jones are authorized to sign checks on the official depository, of which both signatures are required for each check.

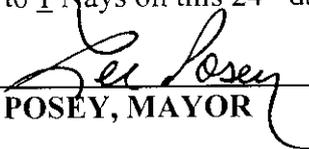
NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Natchitoches, that it does hereby authorize and direct the Honorable Lee Posey, Mayor, to sign any and all documents pertaining to the LCDBG Program FY 2013.

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

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

THEREUPON, Mayor Lee Posey declared the Resolution passed by a vote of 4

Ayes to 1 Nays on this 24th day of June, 2013.



LEE POSEY, MAYOR

CONTRACT BY AND BETWEEN

UNITED STATES OF AMERICA

THE DIVISION OF ADMINISTRATION

STATE OF LOUISIANA

AND

| | | |
|-------------------|---------|---------------------|
| SOURCE OF FUNDING | FY 2011 | \$295,804.48 |
| | FY2013 | 304,194.52 |
| | | <u>\$599,999.00</u> |

THE CITY OF NATCHITOCHE

(CFDA#14.228, HUD/State ID# B-11-DC-22-0001)
(CFDA#14.228, HUD/State ID# B-13-DC-22-0001)

PARISH OF NATCHITOCHE

TYPE OF CONTRACT - FY 2013

FEDERAL EMPLOYER I.D. # 72-6000931

AMOUNT OF CONTRACT - \$599,999

CDBG Format #1 (revised, 2010)

THIS AGREEMENT, is made and entered into as of this _____ day of _____, 20____ by and between the Division of Administration, hereinafter called "Division" represented by Carol M. Newton, Office of Community Development, and the City of Natchitoches, hereinafter called "Contractor" represented by Lee Posey, Mayor.

1. CONTRACT WITH CONTRACTOR: The Division hereby agrees to contract with the Contractor and the Contractor hereby agrees to perform the services under this agreement in accordance with LCDBG/Division/applicable federal regulations to the establishing of programs and activities. All exhibits or regulations referred to in this contract or attached hereto are by reference made part of this contract.

2. DURATION OF CONTRACT: This contract shall be for a period commencing on the date entered above and ending not more than three years later.

3. RECORDS, REPORTS, AND EVALUATIONS: The Contractor agrees to prepare, retain, report and allow Division inspection for purposes of evaluation, records as may be required by the Division for program management purposes. Such records will contain the documents as required by laws contained in Exhibit D.

Upon completion of this contract, or if terminated earlier, all records, reports, worksheets or any other materials related to this contract shall become the property of the Division. All such books, records and other documents shall be available at the offices of the Contractor (except that books, records, and other documents of a Participating Party may be maintained at the offices of such Participating Party) for inspection, copying, audit and examination at all reasonable times by any duly authorized representative of the State, HUD or the Comptroller General of the United States. Any duly authorized representative of the State shall, at all reasonable times, have access to all portions of the Project.

The rights of access and inspection provided in this paragraph shall continue until completion of all close-out procedures respecting this contract and until the final settlement and conclusion of all

issues arising out of this contract. The records shall be kept for a minimum of four years from the date of final close-out.

4. AUDITS and/or FINANCIAL REPORTS: The Contractor shall furnish the Division with one (1) copy of all audits or applicable financial reports covering funds awarded under this contract. Financial reports shall be prepared by an independent certified public accountant or the Legislative Auditor of the State of Louisiana. The financial report shall be sent within thirty (30) days after completion, but no later than six (6) months after the end of the period (R.S. 24:513A). Contractors whose total federal financial assistance during the Contractor's fiscal year meets the threshold amounts established by OMB Circular A-133 as provided by Title 31 USC Chapter 75 shall have either a single audit (including all required schedules) or a program-specific audit made for such fiscal year in accordance with the requirements of this chapter. Local governments and Parish Police Juries that expend less than the federal threshold shall be exempt from federal requirements. However, state requirements mandate that local governments and Parish Police Juries must still submit financial statements in compliance with financial and compliance audit requirements established by R.S. 24:513.

In addition, audit engagement agreements for audits of local governmental entities or for federal programs administered by such entities must be approved by the Legislative Auditor prior to commencement of the audits.

Failure to comply with all financial report requirements may cause loss of participation in this program and reimbursement of contract funds.

As a part of this agreement and acceptance of their funds, the Contractor agrees to submit to the Division a copy of the most recently completed financial report or audit prior to the receipt of the executed contract.

5. CHANGES: The Division may, from time to time, request changes in the scope of services of the Contractor to be performed hereunder. Such changes, including an increase or decrease in the amount of the Contractor's allocation, must be incorporated as written amendments to this contract. These changes may include the waiver of certain rules and regulations where the Division deems it appropriate.

6. TERMINATION OR SUSPENSION FOR CAUSE OR CONVENIENCE: The Division may, after giving thirty (30) days written notice terminate this contract and payment in whole or part for convenience or cause. Cause shall include but not be limited to:

- (1) failure, for any reason, of the Contractor to fulfill in a timely and proper manner its obligations under this contract, including compliance with approved programs and

attached conditions, exhibits, and such statutes, Executive Orders, and federal directives as may become generally applicable at any time;

- (2) submission by the Contractor to the Division or its Auditors, of reports that are incorrect or incomplete in any material respect;
- (3) ineffective or improper use of funds provided under this contract;
- (4) suspension or termination of the grant from the U. S. Department of HUD to the Division, under which this contract is made, or the portion thereof delegated by this contract.

The Division, where appropriate, may suspend the contract or payment from time to time in lieu of termination based on reasons indicated above. There may be a suspension of payment when a term of the contract has not been resolved by the next payment period.

The Division may also assign and transfer this contract when required.

If the Contractor is unable or unwilling to comply with such additional conditions as may be lawfully applied to the grant received from the Division, the Contractor shall terminate the contract by giving reasonable written notice to the Division, signifying the effective date thereof. In the event of any termination, or suspension, all property and finished or unfinished documents, data, studies, and reports purchased or prepared by the Contractor under this contract shall become the property of the Division. The Contractor shall be entitled to compensation for any unreimbursed expenses reasonably and necessarily incurred in satisfactory performance of the contract. Notwithstanding the above, the Contractor shall not be relieved of liability to the Division for damages sustained by the Division by virtue of any breach of the contract by the Contractor and the Division may withhold any reimbursement to the Contractor for the purposes of setoff until such time as the exact amount of damages due the Division from the Contractor is agreed upon or otherwise determined. The Division may authorize the Contractor to continue with its own funds for the project until a question is resolved with the understanding that a satisfactory resolution will cause the Division to reimburse funds.

7. PROHIBITION AGAINST ASSIGNMENT: Contractor shall not assign any interest in this agreement, and shall not transfer any interest in the same (whether by assignment or novation), without the prior written consent of the Division thereto, provided however, the claims for money due or to become due to the Contractor from the Division under this agreement may be assigned to a bank, trust company or other financial institution without such prior written consent. Notice of any such assignment or transfer shall be furnished promptly to the Division and its Office of Contractual Review.

8. LEGAL AUTHORITY: The Contractor assures and guarantees that it possesses the legal authority, pursuant to any proper, appropriate and official motion, resolution or action passed or

taken, giving the Contractor legal authority to enter into this agreement, receive funds, authorized by this agreement and to perform the services the Contractor has obligated itself to perform under this agreement.

9. COMPLIANCE WITH FEDERAL, STATE AND LOCAL GUIDELINES: The Contractor hereby binds itself, certifies, and gives its assurance that it will comply with all federal and State regulations, policies, guidelines and requirements, as they relate to the application, acceptance and use of state and federal resources for the State assisted project.

The Contractor further agrees to comply with applicable laws, ordinances, and codes of the State and federal and local governments.

The Contractor has obtained, or has reasonable assurances that it will obtain, all federal, State and local government approvals and reviews required by law to be obtained by the Contractor for the Project; and all Participating Parties have obtained, or the Contractor has reasonable assurances that such Participating Parties will obtain, all such approvals and reviews required by law to be obtained by the Participating Parties for the Project.

Contractor hereby agrees that the responsibility for payment of taxes from the funds thus received under this agreement and/or legislative appropriation shall be said Contractor's obligation and identified under tax identification number 72-6000931.

10. NONDISCRIMINATION: Contractor assures that it is in compliance with all applicable Civil Rights Legislation and Executive Orders, both federal and State.

11. COMPLIANCE WITH APPROVED PROGRAM: All activities authorized by this agreement will be performed in accordance with the approved work program and time schedule as described in the grant application, (including any amendments which have occurred), Exhibits A, B, C, and D, the grant conditions and relevant LCDBG directives. If any activities authorized by this agreement are not performed in accordance with any part of this agreement or if unauthorized activities are performed, the DOA LCDBG Representative may require that any or all grant funds paid-out to Contractor be returned to the Division. Dollar amounts expended for each activity may not exceed those specified in Exhibit B. The release of funds for this contract is conditioned upon approval of the environmental requirements as established by federal regulations (24 C.F.R., 58.71), and other contract conditions listed in Exhibit A.

12. COVENANT AGAINST CONTINGENT FEES AND CONFLICT OF INTEREST: The Contractor warrants that no person or selling agency or other organization has been employed or retained to solicit or secure this contract upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee. For breach or violation of this warrant the Division shall

have the right to annul this contract without liability or, in its discretion, to deduct from the contract or otherwise recover the full amount of such commission, percentage, brokerage or contingent fee, or to seek such other remedies as legally may be available.

No member, officer, or employee of the Contractor, or its designees, or agents, no consultant, no member of the governing body of the Contractor or the locality in which the program is situated, and no other public official of the Contractor or such locality or localities, who exercises or has exercised any functions or responsibilities with respect to the project during his or her tenure, shall have any interest, direct or indirect, in any contract or subcontract, or the proceeds thereof, for work to be performed in connection with the Project or in any activity or benefit, which is part of this Project.

However, upon written request of the Contractor, the State may agree in writing to waive a conflict otherwise prohibited by this provision whenever there has been full public disclosure of the conflict of interest, and the State determines that undue hardship will result either to the Contractor or the person affected by applying the prohibition and that the granting of a waiver is in the public interest. No such request for waiver shall be made by Contractor which would, in any way, permit a violation of State or local law or any charter provision of the Contractor.

13. SCHEDULE OF PAYMENT: In consideration of the various obligations undertaken by the Contractor pursuant to this contract, and in consideration of the obligations to be undertaken by Participating Parties, as represented by the Contractor in the Application, the State agrees, subject to the terms and conditions set forth herein, to provide the Contractor with contract funds in the amount of \$599,999.

14. PROGRAM INCOME: Any income earned as a result of this program will either be retained by the local government or submitted to the state. As soon as you are aware of any income that has or will be received as a result of this project, you must contact the Office of Community Development for instructions and guidance.

15. FISCAL FUNDING: The continuation of this contract is contingent upon the appropriation of funds to fulfill the requirements of the contract by the legislature. If the legislature fails to appropriate sufficient monies to provide for the continuation of the contract, or if such appropriation is reduced by the veto of the Governor or by any means provided in the appropriations act to prevent the total appropriation for the year from exceeding revenues for that year, or for any other lawful purpose, and the effect of such reduction is to provide insufficient monies for the continuation of the contract, the contract shall terminate on the date of the beginning of the first fiscal year for which funds are not appropriated.

16. REMEDIES FOR DEFAULT: Any claim or controversy arising out of this contract shall be resolved by the provisions of R.S. 39:1524 and 1525.

Incurring Cost for Project Activities

The use of grant funds is conditioned upon the Contractor incurring costs in accordance with this contract or as otherwise approved by the State in writing. The incurring of costs to be paid out of contract funds shall be governed by the following:

(1) No costs incurred prior to the date of authorization to incur costs may be paid out of contract funds other than approved pre-agreement costs.

(2) After the date of authorization to incur costs but before the transmittal of the fully executed contract and release of funds, eligible project costs, including but not limited to costs of Environmental Studies, preparation of architectural and engineering construction drawings, and procurement of professionals may be incurred.

(3) Except as permitted by 24 C.F.R. Part 58, no other costs to be paid out of contract funds may be incurred by the Contractor or any Participating Party until the following conditions are met: (a) all environmental conditions of 24 C.F.R. Part 58 have been fully satisfied and the State has issued the environmental releases required by that Part, (b) a written approval by the State is received of required documentation as specified in Paragraph 11 and Exhibit A of this contract, if any, and (c) written authorization from the State is received to draw funds. All contract conditions must be cleared within six (6) months of the date of authorization to incur costs. Failure on the part of the Contractor to comply with conditions may result in disallowance by the Division of expenditures under the contract, or termination of the grant.

(4) After the Contractor has satisfied all of the environmental and other contract conditions specified in Paragraph 11 and Exhibit A and the State has transmitted a fully executed contract and released funds for the project activities, the Contractor and the Participating Parties may incur any and all eligible costs to be paid out of grant funds.

(5) All work under the terms of this contract must have been completed by midnight of that day occurring three years from the date of this contract. Any work taking place more than three years after the date of this contract, with the exception of administrative closeout procedures and audit requirements, will not be paid for out of the LCDBG funds awarded in this contract unless this contract has been amended with the approval of the Division of Administration. All lien contingencies must be liquidated ninety (90) days from contract termination date.

Procedures for Requisitioning Payments

There will be only three requisitions per month for housing grants and two per month for all other grants. The amount of each requisition should be in accordance with current LCDBG guidelines.

Unobligated funds remaining at the completion of the contract period specified in page 1, paragraph 2 of this contract shall revert to the State for reuse in other eligible communities.

Budget reconciliations must be submitted in accordance with LCDBG program requirements.

IN WITNESS THEREOF, the parties hereto have executed this agreement this _____ day of _____, 20____.

WITNESSES:

DIVISION OF ADMINISTRATION
OFFICE OF COMMUNITY DEVELOPMENT

CAROL M. NEWTON
DIRECTOR, LOUISIANA COMMUNITY
DEVELOPMENT BLOCK GRANT PROGRAM

WITNESS:

Stacy McQuary

Lee Posey
LEE POSEY, MAYOR
CHIEF ELECTED OFFICIAL

Exhibit A

GENERAL INFORMATION, CONTRACT CONDITIONS

GENERAL INFORMATION

1. LCDBG CONTRACT AMOUNT

\$599,999

2. OTHER FUNDS AMOUNT

\$113,500

3. MAILING ADDRESS OF CONTRACTOR

City of Natchitoches
Post Office Box 37
Natchitoches, Louisiana 71457-0037

4. CONTRACTOR AUTHORIZED REPRESENTATIVE

Lee Posey, Mayor

5. PHONE

(318) 352-2772

6. CONTRACT CONDITIONS

Funds will not be released until the following items have been submitted to and approved in accordance with Program requirements by the State's Office of Community Development.

1. Environmental Review Record
2. Three-year Community Development Plan
3. Section 504 Assurance
4. Residential Antidisplacement and Relocation Plan and Certification
5. Revisions to the application, if requested
6. Project Plans and Specifications, and Final Cost Estimate (not applicable for housing grants)
7. Previous audits/financial reports and financial questionnaire, if requested
8. If applicable, a certification from engineer that plans and specifications are complete and have been submitted to DHH
9. Firm commitments for other project funds, if applicable
10. Any other documentation, if requested

Exhibit B

LCDBG Line Item Budget

| | | | |
|----|---|----|---------|
| A. | Acquisition of Real Property | \$ | |
| B. | Public Works, Facilities, Site Improvements | | |
| | 1. Sewer | \$ | |
| | 2. Streets | \$ | 599,999 |
| | 3. Water (Potable Water) | \$ | |
| | 4. Water (Fire Protection) | \$ | |
| | 5. Multi-purpose Community Centers | \$ | |
| | 6. Other | \$ | |
| C. | Clearance, Demolition | \$ | |
| D. | Rehabilitation Loans and Grants | | |
| | 1. Rehabilitation (for Housing or Hook-ups) | \$ | |
| | 2. Reconstruction | \$ | |
| E. | Construction Administration (Housing Only) | \$ | |
| F. | Provision of Public Services | \$ | |
| G. | Relocation Payments and Assistance | \$ | |
| H. | Economic Development | | |
| | 1. Acquisition: Land Building | \$ | |
| | 2. Infrastructure Improvements | \$ | |
| | 3. Building Construction/Improvements | \$ | |
| | 4. Industrial and Commercial Facilities | \$ | |
| | 5. Inventory | \$ | |
| | 6. Working Capital | \$ | |
| | 7. Capital Equipment | \$ | |
| | 8. Other | \$ | |
| | 9. Other | \$ | |
| I. | Administration: | | |
| | 1. Pre-Agreement Costs | \$ | |
| | 2. Public Facilities, Housing, and Economic Development | \$ | |
| | 3. Other | \$ | |
| J. | Other | \$ | |
| K. | Other | \$ | |
| L. | TOTAL | \$ | 599,999 |

EXHIBIT C

General Definitions

Unless specifically provided otherwise or the context otherwise requires, when used in this contract:

1. "Act" means the Housing and Community Development Act of 1974, Pub. L. No. 93-383, as amended.
2. "Application" means the Application for LCDBG Assistance.
3. "Budget Reconciliation" means a report prepared to compare actual project expenditures to amounts budgeted and requested by line item.
4. "Contract Funds" means those funds to be provided by the State to Contractors pursuant to the terms of this contract, as specified in Exhibit A.
5. "Contractor" means the local government entity receiving contract funds pursuant to this contract, as more particularly identified on the cover page of this contract.
6. "Contractor Activities" means those activities of the Project to be carried out by the Contractor, or an agent or agency of the Contractor, which activities are described in Exhibit B of this contract.
7. "Eligible Costs" means costs for the activities specified and for which grant funds are budgeted as specified in Exhibit A of this contract, provided that such costs (a) are not incurred in connection with any activity which, under 24 C.F.R. 570.207, as may be from time to time amended, are ineligible under the LCDBG Program, and (b) conform to the requirements of OMB Circular A-87 (Cost Principles Applicable to Grants and Contracts with State and Local Government), as may be from time to time amended.
8. "Environmental Conditions" means the conditions imposed by law, particularly 24 C.F.R. Part 58, and the provisions of this contract which prohibit or limit the commitment and use of contract funds until certain procedural requirements have been completed.
9. "Environmental Requirements" means the requirements described in 24 C.F.R. Part 58.
10. "Environmental Studies" means all eligible activities necessary to produce an "Environmental Document," as that term is defined at Section 1508.10 of 40 C.F.R. Part 1508, or to comply with the requirements of 24 C.F.R. Part 58.
11. "Final Approval Date" – The date that the contract is fully executed, all conditions listed in Exhibits A have been satisfied and the State has issued an authorization to the Contractor to proceed with the project activities.
12. "HUD" means the United States Department of Housing and Urban Development.
13. "Incurred Cost" – Any monies expended on allowable expenditures relating to the application and/or contract.
14. "LCDBG Program" means the Louisiana Community Development Block Grant Program, established by the State pursuant to 24 C.F.R. Part 570, Subpart I (April 8, 1982, Federal Register)
15. "LCDBG Regulations" means the regulations set forth in 24 C.F.R. Part 570, Subpart I, as the same may, from time to time, be amended and the regulations described in the LCDBG Grantee Handbook.

16. "Program Income" means any income earned by Contractor, or an agent or agency of Contractor (a) from the disposition of real or personal property acquired in whole or in part with grant funds; (b) the repayment proceeds "including principals and interest of any loan made in whole or in part with grant funds; (c) any other revenues defined as program income in 24 C.F.R. Part 570, Subpart I and J and; (d) any income from an activity where it is specifically declared in Exhibit A of this Contract Agreement that the income from such activity shall be deemed to be Program Income.
17. "Project" means the activities described in the Application and in Exhibit B of this contract which are to be carried out to meet the objectives of the LCDBG Program.
18. "State" means the State of Louisiana or any official of the State to whom the State has delegated authority to act with respect to matters covered by this Contract Agreement.
19. "Unobligated Funds" means all funds for which no liability exists at the expiration of the contract.

EXHIBIT D

Applicable Laws

1. Title VI of the Civil Rights Act of 1964 (42 USC 2000d) under Title VI of the Civil Rights Act of 1964 no person shall on the grounds of race, color or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance.
2. Title VIII of the Civil Rights Act of 1968 (42 USC 3601 et seq.) (Fair Housing Act)
It is the policy of the United States to provide, within constitutional limitations, for fair housing throughout the United States. The Act makes it unlawful to refuse to sell or rent after the making of a bona fide offer, or to refuse to negotiate for the sale or rental of, or otherwise make unavailable or deny, a dwelling to any person because of race, color, religion, sex, familial status, or national origin. In addition, Executive Order 12259, directs HUD to take all action necessary and appropriate to prevent discrimination because of race, color, religion, sex, national origin, familial status, or handicap in the sale, leasing, rental, or other disposition of residential property and related facilities (including land to be developed for residential use), or in the use or occupancy thereof, if such property and related facilities are among other things, provided in whole or in part with the aid of loans, advances, grants, or contributions agreed to be made by the Federal government.
3. Section 109 of the Housing and Community Development Act of 1974, as amended (as further defined in 24 CFR 570.602)
No person in the United States shall on the grounds of race, color, national origin, or sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with funds made available under this title. Section 109 further provides that any prohibition against discrimination on the basis of age under the Age Discrimination Act of 1975 or with respect to an otherwise qualified handicapped individual as provided in Section 504 of the Rehabilitation Act of 1973 shall also apply to any such programs or activities.
4. Davis-Bacon and Related Acts
In accordance with 42 USC 5310, all laborers and mechanics employed by contractors or subcontractors on construction work assisted under the Act shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis Bacon Act, as amended. This applies to any construction contract in excess of \$2,000, except in the case of residential property designed for the use of eight or more families.
5. Contract Work Hours and Safety Standard Act (40 USC Chapter 5)
Each contractor shall be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than 1 1/2 times the basic rate of pay for all hours worked in excess of 40 hours in the work week. These requirements apply to the rehabilitation of residential property only if such property is designed for the residential use of eight or more families.
6. Section 3 of the Housing and Community Development Act of 1968 (12 USC 1701u and further defined in 24 CFR Part 135)
Section 3 requires that to the greatest extent feasible, opportunities for training and employment be given lower income residents of the project area and contracts for work in connection with the project be awarded to business concerns which are located in, or owned in substantial part by persons residing in the area of the project.
7. Lead Based Paint – This contract is subject to the current HUD lead-based paint requirements under 24 C.F.R. Part 35, “Lead –Based Paint Poisoning Prevention in Certain Residential Structures.” The requirements of Subparts B through R have been promulgated to implement the Lead-Based Paint Poisoning Prevention Act, as amended (42 U.S.C. 4821 et seq.) and the Residential Lead-Based Paint Hazard Reduction Act of 1992 (42 U.S.C. 4851 et seq.) Subpart B, “General Lead-Based Paint Requirements and Definitions for all Programs”, applies to all target housing receiving federal assistance and includes details on compliance requirements with Federal laws and authorities (24 C.F.R. Part 35, Subpart B, 35.145).

8. Executive Order 11246, As Amended (Equal Employment Opportunity)
The Contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, or national origin. Such action shall include, but not be limited to the following: Employment upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.
9. Hatch Act (5 USC 1502)
No member of or Delegate to the Congress of the United States, and no resident Commissioner, shall be admitted to any share or part of this agreement or to any benefit to arise from the same. No member of the governing body of the Municipality or Parish and no other officer, employee, or agent of the Municipality or Parish who exercises any function or responsibilities in connection with the planning and carrying out of this project, shall have any personal financial interest, direct or indirect, in the contract; and the contractor shall take appropriate steps to assure compliance.
10. Access to Records (42 USC 5304(f))
The State grantor agency, the Department of Housing and Urban Development, the Comptroller General of the United States, and any of their duly authorized representatives, shall have access to any books, documents, papers and records of the contractor which are directly pertinent to that specific contract, for the purpose of audits, examinations, and making excerpts and transcriptions.
11. Uniform Real Property Acquisition Policy (42 USC 4601)
To the greatest extent practicable under State law contractors must comply with the Uniform Real Property Acquisition Policy (42 USC 4651 – 4654), HUD's implementing instructions at 24 CFR Part 42 and inform affected persons of their rights and of the acquisition policies and procedures set forth in the regulations at 24 C.F.R. Part 42 and 570.606(b).
12. Uniform Relocation Assistance
All contractors receiving assistance must:
 - (1) Comply with Title II (Uniform Relocation Assistance) of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 and HUD implementing regulations at 24 C.F.R. Part 42 and 570.606(a);
 - (2) Provide relocation payments and offer relocation assistance as described in Section 205 of the Uniform Relocation Assistance Act to all persons displaced as a result of acquisition of real property for an activity assisted under the Community Development Block Grant Program. Such payments and assistance shall be provided in a fair and consistent and equitable manner that insures that the relocation process does not result in different or separate treatment of such persons on account of race, color, religion, national origin, sex, or source of income;
 - (3) Assure that, within a reasonable period of time prior to displacement, comparable decent, safe and sanitary replacement dwellings will be available to all displaced families and individuals and that the range of choices are available to such persons will not vary on account of their race, color, religion, national origin, sex, or source of income; and
 - (4) Inform affected persons of the relocation assistance, policies and procedures set forth in the regulations at 24 C.F.R. Part 42 and 570.606(a).
13. 24 CFR Part 85 and OMB Circular A-87
These regulations govern the areas of financial management, procurement and overall management control. All contractors must comply with the regulations, policies, guidelines and requirements as they relate to the application, acceptance and use of federal funds.
14. Executive Orders 11296 and 11288, as superseded
These Executive Orders relate to evaluation of flood hazards and to the prevention, control and abatement of water pollution.

15. Architectural Barriers Act of 1968 (42 USC 4151 et seq.)
This requires every building or facility (other than privately owned residential structures) designed, constructed or altered with funds provided through this Part be accessible to and usable by physically handicapped individuals, subject to the exemptions contained in 41 C.F.R. 101-19.604. The contractor will be responsible for conducting inspections to insure compliance with these specifications by sub-contractors.
16. Flood Disaster Protection Act of 1973
Contractor must comply with the flood insurance purchase requirement of Section 103(a) of said Act. Section 103(a) required, on and after March 2, 1974, the purchase of flood insurance in communities where such insurance is available as a condition for the receipt of any federal financial assistance for construction or acquisition purposed for use in any area, that has been identified by the Secretary of the Department of Housing and Urban Development as an area having special flood hazards. The phrase "Federal financial assistance" includes any form of loan, grant, guaranty, insurance payment, rebate, subsidy, disaster assistance loan or grant, or any other form of direct/indirect Federal assistance.
17. EPA's Listing of Violating Facilities
The contractor will insure that the facilities under its ownership, lease, or supervision which shall be utilized in the accomplishment of the program are not listed on the Environmental Protection Agency's (EPA) list of Violating Facilities and that it will notify the State of the receipt of any communication from the Director of the EPA Office of Federal Activities indicating that a facility to be used in the project is under consideration for listing by the EPA.
18. National Environmental Policy Act of 1969 (42 USC 4321 et seq.)
The contractor's chief executive officer or other officer of the applicant approved by State consents to assume the status of a responsible federal official under the National Environmental Policy Act of 1969 (NEPA) and other provisions of federal law, as specified in 24 C.F.R. 58.1 (a)(3) and (a)(4), which further the purposes of NEPA insofar as the provisions of such federal laws apply to this Part. The contractor will in connection with its performance of environmental assessments under the National Environmental Policy Act of 1969, comply with Section 106 of the National Historic Preservation Act of 1966 (16 U.S.C. 470), Executive Order 11593, and the Preservation of Archeological and Historic Data Act of 1966 (16 U.S.C. 469a-1, et seq.) by:
 - (1) Consulting with the State Historic Preservation Office to identify properties listed in or eligible for inclusion in the National Register of Historic Places that are subject to adverse affects (see 36 C.F.R. Part 800) by the proposed activity; and
 - (2) Complying with all requirements established by the State to avoid or mitigate adverse effects upon such properties.
19. Contractor will comply with all requirements imposed by the State concerning special requirements of law, program requirements and other administrative requirements approved in accordance with OMB Circular A-102, Revised.
20. Contractor will comply with the conflict of interest provisions delineated in 24 CFR 570.611, "Conflict of Interest."
21. Excessive Force, 42 USC, 5304(i)
Each local government must adopt and enforce a policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against individuals engaged in non-violent civil rights demonstrations, and must adopt and enforce State and local laws against physically barring entrance to or exit from a facility or location which is the subject of such demonstrations.
22. Restrictions on Lobbying, Appendix B, 24 CFR, Part 24
Provides that no federal funds may be used for any lobbying purposes regardless of the level of government.
23. Debarment and Suspension - 24 CFR, Part 24
Local governments must comply with the provisions relating to the employment, engagement of services, awarding of contracts, or funding of any contractors or subcontractors during any period of debarment, suspension, or placement in ineligibility status.

24. Antidisplacement, 42 USC 5304(d)
 - Local governments must comply with the provisions relating to residential antidisplacement and relocation assistance as further defined in 24 CFR 570.606.

25. Americans With Disabilities Act of 1990

The ADA is a civil rights law that prohibits discrimination against qualified people with disabilities in employment, public services and transportation, public accommodations, and telecommunications services.

RESIDENTIAL ANTIDISPLACEMENT AND RELOCATION
ASSISTANCE PLAN UNDER SECTION 104(d) OF THE
HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1974, AS AMENDED

The City of Natchitoches will replace all occupied and vacant *occupiable low/moderate-income dwelling units* demolished or converted to a use other than as low/moderate-income housing as a direct result of activities assisted with funds provided under the Housing and Community Development Act of 1974, as amended, as described in 24 CFR 570.606(b)(1). The City of Natchitoches Antidisplacement contact person is Stacy M. McQueary who can be reached at (318) 352-2772.

All replacement housing will be provided within three years of the commencement of the demolition or rehabilitation relating to conversion. Before obligating or expending funds that will directly result in such demolition or conversion, the City will notify the public and submit to the Division of Administration the following information in writing:

1. A description of the proposed assisted activity;
2. The general location on a map and approximate number of dwelling units by size (number of bedrooms) that will be demolished or converted to a use other than a low/moderate-income dwelling units as a direct result of the assisted activity;
3. A time schedule for the commencement and completion of the demolition or conversion;
4. The general location on a map and approximate number of dwelling units by size (number of bedrooms) that will be provided as replacement dwelling units;
5. The source of funding and a time schedule for the provision of replacement dwelling units; and
6. The basis for concluding that each replacement dwelling unit will remain in a low/moderate-income dwelling unit for at least 10 years from the date of initial occupancy.

The City of Natchitoches will provide relocation assistance, as described in 570.606 (b)(2), to each low/moderate-income household displaced by the demolition of housing or by the conversion of a low/moderate-income dwelling to another use as a direct result of assisted activities.

Consistent with the goals and objectives of activities assisted under the Act, the City of Natchitoches will take the following steps to minimize the displacement of persons from their homes:

1. All public facilities projects (water, sewer, gas, etc.) will be designed so that there will be no displacement of any residences or businesses;
2. No homes will be demolished that can be rehabilitated; and
3. There will be no displacement of any residential or business occupants on LCDBG projects.

**RESIDENTIAL ANTIDISPLACEMENT AND RELOCATION ASSISTANCE
CERTIFICATION**

The City of Natchitoches hereby certifies that it is following a residential antidisplacement and relocation assistance plan and that it will comply with the Acquisition and Relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 as required under S570.606(a) and HUD implementing regulations at 24 CFR Part 42; the requirements in S570.606(b) governing the residential antidisplacement and relocation assistance plan under Section 104(d) of the Housing and Community Development Act of 1974; the relocation requirements of S505.606(c) governing displacement subject to Section 104(d) of the Act; and the relocation requirements of S505.606(d) governing optional relocation assistance under Section 105(a)(11) of the Act.

6/25/13

DATE



LEE POSEY, MAYOR

SECTION 504 GRIEVANCE PROCEDURE

The City of Natchitoches has adopted an internal grievance procedure providing for prompt and equitable resolution of complaints alleging any action prohibited by the regulation of the U.S. Department of Housing and Urban Development, 24 CFR Part 8, implementing Section 504 of the Rehabilitation Act of 1973, as amended (Public Law 93-112). Section 504 states, in part: "No otherwise qualified handicapped individual ... shall, solely by reason of his handicap be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance." To further assist those who may have a grievance concerning Section 504 compliance Stacy McQueary has been designated to coordinate the efforts of the City of Natchitoches to comply with requirements of Section 504 and its implementing regulation, 24 CFR Part 8.

1. A complaint should be in writing, contain the name and address of the person filing it, and briefly describe the action alleged to be prohibited by the regulation.
2. A complaint should be filed in the office of the Section 504 Coordinator within a reasonable time after the person filing the complaint became aware of the action alleged to be prohibited by the regulation.
3. The Compliance Coordinator shall meet with the complainant within 15 days after receipt of the complaint to discuss the complaint and any possible resolution(s).
4. The Compliance Coordinator or his/her designee shall conduct such investigation of the complaint as may be appropriate to determine its validity. These rules contemplate informal but thorough investigations, affording all interested persons and their representatives, if any, an opportunity to submit evidence relevant to the complaint.
5. The Compliance Coordinator shall issue a written decision determining the validity of the complaint no later than thirty (30) days after its filing. The response will offer options for resolution of the complaint. The City of Natchitoches shall be advised of any decision or resolution regarding the complaint.
6. If the decision of the Compliance Coordinator does not resolve the issue, the complainant may appeal the decision of the Coordinator within fifteen (15) days after receipt of the response to the City of Natchitoches or his or her designee.
7. The City of Natchitoches or his or her designee shall meet with the complainant within 15 days after receipt of the appeal to discuss the complaint and any possible resolution. Within fifteen (15) days after the meeting the City of Natchitoches or his or her designee will respond in writing, with the final resolution of the complaint.

8. The Section 504 Coordinator shall maintain the files and records of the City of Natchitoches relating to complaints filed hereunder.
9. The right of a person to prompt and equitable resolution of the complaint filed hereunder shall not be impaired by the person's pursuit of other remedies such as the filing of a Section 504 complaint with the Department of Housing and Urban Development or other Federal or State Agencies. Utilization of this grievance procedure is not a prerequisite to the pursuit of other remedies. *Complaints may be forwarded for disposition to the:*

Office of Fair Housing and Equal Opportunity
Department of Housing and Urban Development
Washington, DC 20410

Complaints may also be filed at any *Regional*
Or Field Office of the Department such as:

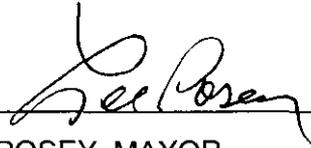
Department of Housing and Urban Development
Regional Office
Fair Housing and Equal Opportunity Division
P.O. Box 2905
Fort Worth, TX 76113-2905

10. Determinations made under these procedures shall be liberally constructed to protect the substantial rights of interested persons, to meet appropriate due process standards and to assure the compliance of the City of Natchitoches with Section 504 and its implementing regulation.

SECTION 504 ASSURANCE

The City of Natchitoches does hereby assure the Community Development Section, Division of Administration, that, as a recipient of Louisiana Community Development Block Grant funds, all activities of this grant will be operated in compliance with requirements of Section 504 of the Rehabilitation Act of 1973, as amended.

As a local government with fifteen (15) or more employees, the City of Natchitoches further assures the Office of Community Development, Division of Administration, that it has appointed Stacy M. McQueary, City Clerk, as the designated Section 504 Coordinator (24 CFR 8.53), and adopted a Section 504 Grievance Procedure on June 24, 2013 (24 CFR 8.53), and made posting of notices and publication in newspapers that means of providing for continuing notification of participants, beneficiaries, applicants, and employees that it does not discriminate on the basis of handicap in its federally assisted programs (24 CFR 8.54).

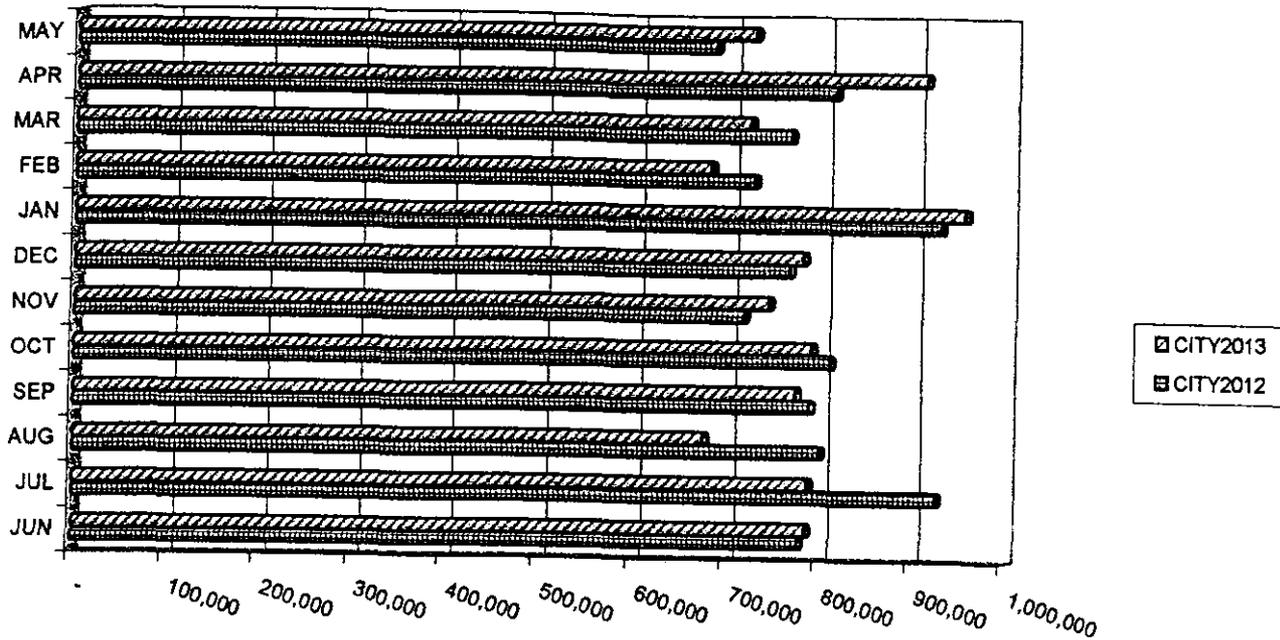


LEE POSEY, MAYOR

6/25/13

DATE

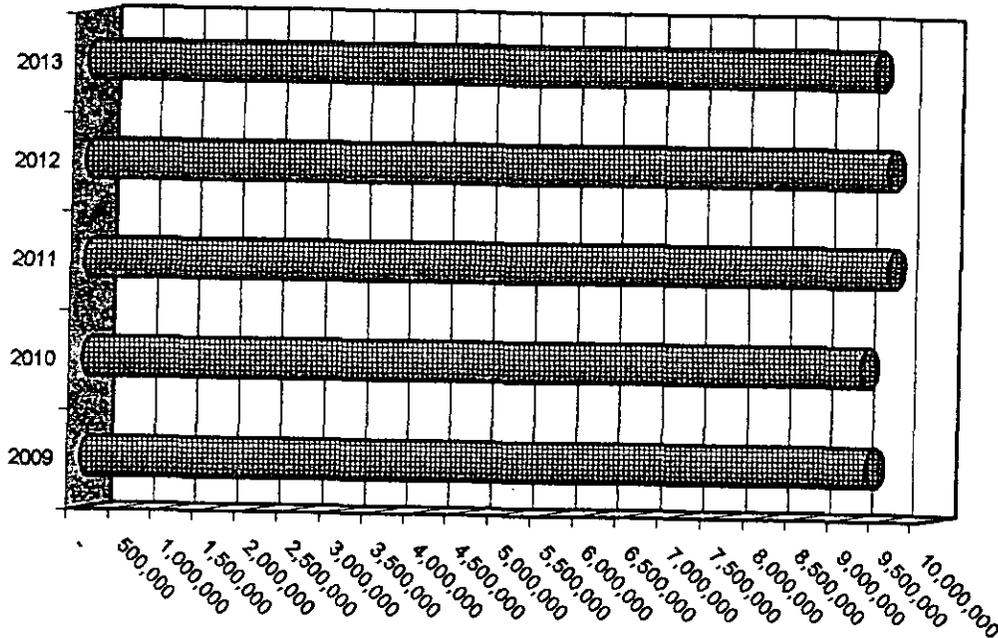
CITY OF NATCHITOCHEES FISCAL YEAR SALES TAX COLLECTIONS



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% |
| FEB | 676,895 | 706,237 | 674,576 | 727,109 | 681,159 | (45,950) | -6.32% |
| MAR | 694,582 | 721,108 | 903,717 | 766,588 | 722,974 | (43,614) | -5.69% |
| APR | 784,689 | 845,634 | 906,779 | 814,071 | 913,173 | 99,102 | 12.17% |
| MAY | 713,566 | 823,529 | 808,386 | 685,262 | 726,983 | 41,721 | 6.09% |

CITY OF NATCHITOCHEs FISCAL YEAR SALES TAX COLLECTIONS



REVENUE YEAR TO DATE

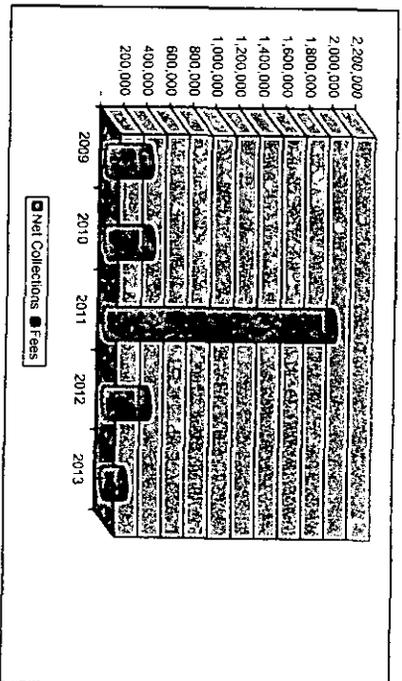
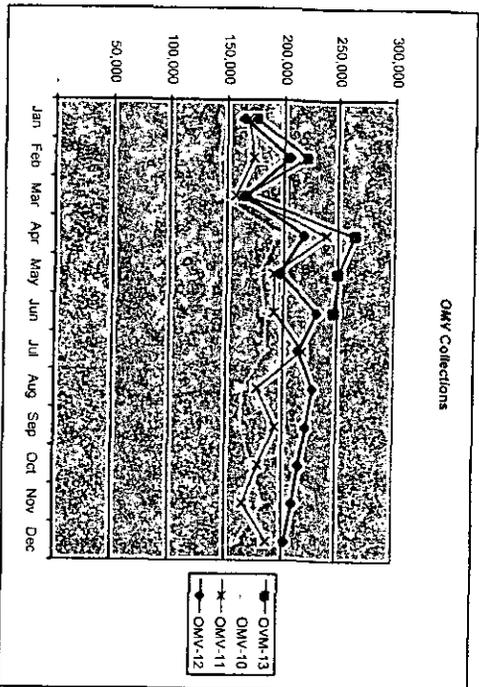
| PERIOD | 2008-2009 | 2009-2010 | 2010-2011 | 2011-2012 | 2012-2013 | DIFF 12/13 | DIFF % |
|--------|-----------|-----------|-----------|-----------|-----------|------------|---------|
| JUN | 821,444 | 754,700 | 745,293 | 778,326 | 784,706 | 6,380 | 0.82% |
| JUL | 1,662,543 | 1,560,571 | 1,579,220 | 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% |
| FEB | 7,104,719 | 6,826,944 | 6,910,990 | 7,242,722 | 6,973,477 | (269,245) | -3.72% |
| MAR | 7,799,301 | 7,548,052 | 7,814,707 | 8,009,310 | 7,696,451 | (312,859) | -3.91% |
| APR | 8,583,990 | 8,393,686 | 8,721,486 | 8,823,381 | 8,609,624 | (213,757) | -2.42% |
| MAY | 9,297,556 | 9,217,215 | 9,529,872 | 9,508,643 | 9,336,607 | (172,036) | -1.81% |

Natchitoches Tax Commission
LA Department of Motor Vehicles Sales

| Month/Year | 2010 | 2011 | 2012 | 2013 | 13 vs 12 |
|---------------|------------------------|------------------------|------------------------|------------------------|----------|
| Jan | 145,283.06 | 168,051.63 | 164,467.36 | 174,514.52 | 6.11% |
| Feb | 142,482.09 | 173,570.53 | 205,177.33 | 220,905.99 | 7.67% |
| Mar | 144,772.00 | 157,817.67 | 186,324.69 | 164,353.86 | -1.16% |
| Apr | 194,621.00 | 239,582.86 | 217,732.82 | 264,608.75 | 21.53% |
| May | 177,689.00 | 190,980.40 | 196,365.55 | 249,447.49 | 27.03% |
| Jun | 184,623.00 | 192,184.32 | 230,945.64 | 246,712.96 | 6.83% |
| Jul | 184,621.89 | 217,528.02 | 213,497.75 | - | -100.00% |
| Aug | 164,616.09 | 177,404.48 | 227,231.78 | - | -100.00% |
| Sep | 162,969.93 | 193,381.54 | 220,368.79 | - | -100.00% |
| Oct | 173,620.93 | 179,172.54 | 214,695.08 | - | -100.00% |
| Nov | 183,071.31 | 165,928.76 | 209,191.64 | - | -100.00% |
| Dec | 160,468.75 | 166,507.49 | 202,412.94 | - | -100.00% |
| Totals | \$12,018,839.05 | \$12,242,110.24 | \$12,468,411.37 | \$13,205,543.57 | |

Natchitoches Tax Commission
Audit Collections

| Year | 2009 | 2010 | 2011 | 2012 | 2013 | 12 vs 13 |
|-----------------|-----------------------|-----------------------|-------------------------|-----------------------|-----------------------|-----------------|
| Collections | 349,768.25 | 368,908.65 | 1,947,902.68 | 358,996.90 | 165,003.95 | -54% |
| Fees | 41,048.17 | 32,697.42 | 25,945.88 | 38,911.02 | 988.03 | -98% |
| Net Collections | 308,720.08 | 336,211.23 | 1,921,956.80 | 320,085.88 | 164,015.92 | -48% |



Ms. Morrow stated Ms. McQueary does a great job on the City level but she has concerns about one person having authorization for all the positions listed: Handicapped/Section 504 Compliance/Coordinator, Antidisplacement Coordinator, Equal Employment Officer, and Citizen Complaint Officer. She then stated she contacted the Office of Community Development in Baton Rouge and has a brochure to share with the members of the council. The brochure states the money coming in from the LCDBG grant should be used for low to moderate income areas and it specifies the sections. She then stated, we want to make sure the funding coming from LCDBG goes to the blighted community not just for drainage and roads, but other things we can use it for.

Mayor Posey then stated he is not sure what Ms. Morrow does not understand. Each year this comes up we can bring a list of 10 projects up here, but there is a point system of which you have a better chance of getting money for certain projects. This year the money was leveraged for repairing streets and everyone knows we have bad streets in this community. The Mayor stated he apologized to Mr. Gary Fontana with the LCDBG for how you treated him last time. Hardly anyone in any other community has received the money we have received. We received the full maximum amount of money we could get, going to your district and Mr. Payne's. He then asked Ms. Morrow, if we get the choice to get \$200,000 to spend in your district for a project that they don't point us in the direction for because of the point system you would rather do that than get the \$600,000 we received this year for street improvements? We don't make these decisions, they tell us where the most points, get the most leverage, to get the most money for our community. He then stated, we do this every year and every year you have questioned the procedure and I do not get that.

Ms. Morrow stated Mayor Posey has missed the boat over the years that the money coming in from the LCDBG should go to blighted communities. The brochure she has explains that the money is supposed to be spent in the blighted community. When you pull up the home page for Natchitoches you can see it is not being spent in the blighted community. The Mayor asked Ms. Morrow did she not see the streets that were on the list this time? Ms. Morrow then stated, we had an economic development night of which there was a brochure of how the money should be spent. She stated, she likes having streets fixed, but sometimes it is good to use the money like the state says it should be used. Mayor Posey stated we use the money each year the way the state instructs us to. If you look at the streets on the list for repair everyone of them are in District 3 & 4.

Mayor Posey then asked Ms. Morrow and Mr. Payne if given the chance to get \$200,000 for a program you want or the maximum \$600,000 to spend like we did this year which would you choose. Ms. Morrow stated she wants the brochure to be brought to the table and the money to be spent like the brochure states. Mayor Posey stated we are leveraging the most things we can in the community for District 3 and District 4 with the maximum amount we received. He then stated, with how Mr. Fontana was treated we are taking a chance of someone who is fighting for us to get the maximum amount of money that most communities do not get and messing that up.

Ms. Morrow then stated she was not rude to Mr. Fontana, but had the right to question something if she feels the need to. That is the reason she sent to the state to get the brochure. She stated, he comes here each year to offer the same thing, but the brochure says the money should be spent in the blighted community. Ms. Morrow has a list of programs where the money should be used.

Mr. Nielsen then stated in his years as councilman Ms. Morrow has yet to let Mr. Fontana give his presentation and then ask a question. There are several categories throughout the state that all cities compete for and we hire a consultant (Gary Fontana) to tell us where we best compete at. The last project we closed that allows us to compete for another LCDBG grant was Fairgrounds Road, District 2 & District 3 that amounted at \$700,000 and only cost the city around \$86,000. Mr. Nielsen stated, you hire consultants for a reason to lead you in the right direction. Mr. Fontana has always led us in the right direction and helped us with projects in low income areas. For example, Fairgrounds Road services hundreds of people that live there plus hundreds that drive through there. How is that not beneficial? He then stated he would love to

see some programs of community renewal and some other programs, but really streets are the biggest issue here along with drainage and groundwater runoff.

Ms. Morrow stated Mr. Nielsen has a community known as PanAm and it doesn't get any worse. You need to be taken advantage of the blighted communities in your area like Pan Am and South Town.

Mr. Edwin Creighton stated the public should be given the opportunity to speak and give the public time to respond. He then asked if those are titles listed in the ordinance under Stacy McQueary? Ms. Morrow answered by stating Stacy McQueary is the Clerk of the Council and she does not think one person needs to do all of that. We have other people who work for the City who could share the workload. Mr. Creighton then asked why does one person have so many positions?

Mayor Posey then asked is what we are doing not working. What we are doing is getting the most money for this community that we can possibly get. If we are not doing something correctly let us know. Mr. Fontana does not get this type treatment in any other city they go to in the state. By us raising questions, we are taking a chance at LCDBG no longer going to bat for us and getting the maximum amount of money in the future.

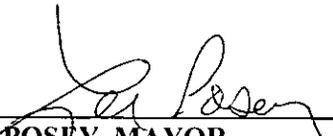
Randy LaCaze stated there was a public hearing at which the public was invited to come and make their comments. At the point of making a decision, these are just requirements of CDBG. This is all part of the process when you are given the information to apply. We have done sewer water or streets in the past that did qualify and we received the maximum amount we could possibly receive. There is nothing else out there under the CDBG Conventional Project we will qualify for. There may be other projects out there, but when it comes to this pool of money we were given the categories of what qualifies. We picked the one that worked for us best and the one at which we ranked the highest.

Mr. Norman Nassif stated he has information about this at his office if anyone would like to stop by to review this information. There is a lot more to it than scratches the surface and he would love to share that information with anyone who is interested.

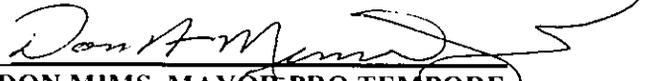
Mr. Pat Jones, Finance Director, presented the Council with the Finance Report. As the fiscal year has come to a close as of May 31st a report will hopefully be given at the next meeting. For the May tax collections we were up \$41,721 which is 6.09% increase from last May. This brings us up to being only 1.81% down for the fiscal year. Back in July & August of 2012 we began to go into the hole 7.77% then 10.23% then sales tax has come back to being only approximately 2% down for the fiscal year. This was a relief to get back to this range. Motor Vehicle Sales for the month of June is at 6.83% which is above last June. If you do a cumulative year to date that puts us right at 12% increase so far for this year above last year. We are closing the books in order to get ready for the auditors and are expecting to end the year in the black.

Mayor Posey announced the City offices will be closed Thursday, July 4, 2013 in honor of Independence Day. Celebration on the Cane will be July 4th with entertainment from 6:00 p.m. to 9:00 p.m. with a fireworks show at 9:00 a.m. We invite everyone to come out for this event.

With no further discussion, the Mayor made a motion for adjournment and all were in favor. The meeting was adjourned at 6:35 p.m.



LEE POSEY, MAYOR



DON MIMS, MAYOR PRO TEMPORE