

## NOTICE OF PUBLIC MEETING

Notice Posted on Wednesday, March 17, 2010 at the Natchitoches Arts Center located at 716 Second Street, Natchitoches, Louisiana at 3:05 and at City Hall located 700 Second Street, Natchitoches, Louisiana at 3:30 p.m. on Wednesday, March 17, 2010.

A public meeting/hearing will be held on March 22, 2010 for the purpose of introduction of an Ordinance Adopting the Millage Rate for the Tax Year 2010 with a final vote on said Ordinance on April 12, 2010, and any other business that may properly come before said meeting

### **NATCHITOCHEs CITY COUNCIL**

**DATE:** APRIL 26, 2010

**TIME:** 7:00 P.M.

**PLACE OF MEETING/HEARING:** Natchitoches Arts Center  
716 Second Street  
Natchitoches, LA 71457

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### **NATCHITOCHEs CITY COUNCIL MEETING**

**MARCH 22, 2010 - 7:00 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 MARCH 8, 2010
5. CONGRATULATIONS – LADY CHIEFS – 5A STATE CHAMPIONS!!  
Coaches: EMMA BOOZMAN, Nikki LaCour, Tee Holden, Akilah Givens, John Boozman  
Managers: Erica Hendricks, Chamara Briggs, Taylor Oliver, Megan Sessions,  
Raven Winslow, Aerial Wilson  
Statistician: Debbie Dean  
  
Team: Brandy Broome #3  
Talisa Boyd #10  
Darnisha Hamilton #11  
Toniesha Rainey #13  
Kaelyn Guerin #14  
Daquita Paye #20  
Shetoni Tousant #25  
Gabrielle Bellow #32  
Victoria Rachal #33  
Shatterrica Demars #34  
Jolie Bellow #35  
Samantha LaCour #43
6. BIDS – OPEN:  
#012 Mims Ordinance Authorizing the Mayor to Open Bids for the Improvements to the Ben Johnson Park, Phase II, Concession Building and Park Equipment Bid No. 0491  
Committee: Pat Jones, Edd Lee, Jack McCain, Frank Griffin  
  
#013 Mims Ordinance Authorizing the Mayor to Open Bids for the Window Replacement at the Natchitoches Central Fire Station, Bid No. 0497)  
Committee: Pat Jones, Edd Lee, Don Mims, Dennie Boyt, Norman Nassif, Engineer

7. **BIDS – ADVERTISE:**

- #021 Mims** Resolution Authorizing The Mayor to Advertise for Bids for Liquid Chlorine For the Water Treatment Plant (Bid No. 0498) Committee; Pat Jones, Edd Lee, Sylvia Morrow, Bryan Wimberly
- #022 Mims** Resolution Authorizing The Mayor to Advertise for Bids for Bulk Hydrated Lime For the Water Treatment Plant (Bid No. 0499) Committee; Pat Jones, Edd Lee, Sylvia Morrow, Bryan Wimberly

8. **PLANNING & ZONING – FINAL:**

- #010 Nielsen** Ordinance Amending Ordinance No. 64 Of 2001 By Changing Zoning Classification Of Property Described As Follows:

Lot 57 ft. 6 in. front on East side of Second St. & described as commencing at a point on the East side of New Second St. a distance 57 ft. 6in. South of the South side of Cypress St. (now Poete St.), thence Southwardly along the East side of New Second St. 57 ft. 6in. to the North line of property formerly of J. E. Guardia, thence Eastwardly along the North line of property sold to Guardia to the West side of an alley that is 10 ft. wide measuring from the line of property of Semelman, thence Northwardly along the West side of said ally 38 ft., thence Westwardly along the South line of property formerly of James Dey and A. E. Ewing 48 ft. 2 in. to a point, thence Northwardly 30 ft. to a point, thence Westwardly 8 ft. to a point that is distance of 75 ft. 3 in. Southwardly of the South side of Cypress St.(now Poete St.) thence Westwardly along the South line of property of P.T. Hedges 118 ft. to the point of beginning, the East side of New Second St.  
(313 Second Street – Dr. Steve Brown III and Edwin Dunahoe)

9. **ORDINANCES – INTRODUCTION:**

- #014 Morrow** Ordinance Adopting the Millage Rate for the Tax Year 2010
- #015 McCain** Ordinance Amending the 2009 – 2010 Budget to Reflect Additional Revenues and Expenditures
- #016 Nielsen** Ordinance Authorizing The City To Lease A Tract Of Land Described As Lot 20 Of The Air Industrial Park To Carlton Golden And / Or Builder's Supply, Setting The Terms And Conditions Of Same, And Authorizing The Execution Of The Lease By The Mayor, Wayne McCullen, After Due Compliance With The Law, And Further Providing For Advertising Of The Lease And An Effective Date

10. **ORDINANCES – FINAL:**

- #009 McCain** Ordinance Accepting and Approving the Power Supply Agreement for Sale of Power and Energy Between Cleco Power LLC and the City of Natchitoches, Louisiana and Authorizing the Mayor to Execute the Power Supply Agreement on Behalf of the City
- #011 Payne** Ordinance Approving An Option Agreement, Act Of Transfer And Compromise Agreement With 300 Mile Investments, Ltd, Starks Construction, Inc., Hotel St. Denis, L.L.C., Sabine State Bank, Fair Properties, L.L.C. And Kevjan Properties, L.L.C., Setting The Terms And Conditions Of Said Option Agreement, Act Of Transfer And Compromise Agreement And Authorizing The Execution Of The Option Agreement, Act Of Transfer And Compromise Agreement By The Mayor, Wayne McCullen, After Due Compliance With The Law, And Further Providing For Advertizing And A Savings Clause

11. **RESOLUTIONS:**

- #023 McCain** Resolution Endorsing and Supporting the Louisiana Economic Development's (LED) Louisiana Development Ready Communities Pilot Program and Work Plan

12. **OTHER BUSINESS:**

13. **NOTICE:** City of Natchitoches offices will be closed April 2, 2010 for Good Friday Holiday

14. **ADJOURNMENT**

**NOTICE TO THE PUBLIC**

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

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

**PROCEEDINGS OF THE CITY COUNCIL  
OF THE CITY OF NATCHITOCHEs, STATE OF LOUISIANA,  
REGULAR MEETING HELD ON  
MONDAY, MARCH 22, 2010, AT SEVEN O'CLOCK, (7:00) P.M.**

The City Council of the City of Natchitoches met in legal and regular session at the Natchitoches Arts Center, 716 Second Street, Natchitoches, Louisiana, on Monday, March 22, 2010, at 7:00 p.m.

There were present: Councilman at Large, Don Mims, Jr., Councilmen; Jack McCain, Larry Payne, Dale Nielsen and Councilwoman Sylvia Morrow

The Mayor welcomed those in attendance and also the radio audience.

The Mayor asked everyone to rise for the Invocation given by Mr. Micky Dove, Chief of Police, followed by the Pledge of Allegiance lead by Mr. McCain.

The Mayor then called for the reading of the Minutes. Mr. McCain made a motion to dispense with the Reading of the Minutes, and Ms. Morrow seconded the motion. The roll call vote was as follows:

**AYES:** McCain, Morrow, Payne, Nielsen, Mims

**NAYS:** None

**ABSENT:** None

The Mayor declared the Motion as **PASSED**.

The Mayor then recognized the Lady Chiefs, 5A State Champions, and presented the members of the team with a "Congratulations" plaque. He also extended congratulations to Coach Emma Boozman, and her assistants and staff.

The Meeting continued with Bids, as follows:

Mr. Mims made a motion that bids be opened and the Mayor Authorized to Award the Bid for the Improvements to the Ben Johnson Park, Phase II, Concession Building and Park Equipment, being Ordinance 12. The motion was seconded by Mr. Nielsen.

The Mayor advised that Mr. Edd Lee, Purchasing Agent, has informed him that there were no bids received on Ordinance 12, so they will go back out and advertise for those bids in the future.

**ORDINANCE NO. 012 OF 2010**

**ORDINANCE AUTHORIZING THE MAYOR TO OPEN BIDS  
FOR THE IMPROVEMENTS TO THE BEN JOHNSON PARK,  
PHASE II, CONCESSION BUILDING AND PARK EQUIPMENT**

**(BID #0491)**

Bids continued, as follows:

Mr. Mims made a motion that bids be opened and the Mayor Authorized to Award the Bid for the Window Replacement at the Natchitoches Central Fire Station, being Ordinance 13. The motion was seconded by Mr. Nielsen.

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

AYES:	Mims, Nielsen, McCain, Morrow, Payne
NAYS:	None
ABSENT:	None

The Mayor declared the motion as PASSED.

**ORDINANCE NO. 013 OF 2010**

**ORDINANCE AUTHORIZING THE MAYOR TO OPEN  
BIDS FOR THE WINDOW REPLACEMENT AT THE  
NATCHITOCHEs CENTRAL FIRE STATION**

**(BID #0497)**



Bids continued, as follows:

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

**RESOLUTION NO. 021 OF 2010**

**A RESOLUTION AUTHORIZING THE MAYOR  
TO ADVERTISE FOR BIDS FOR LIQUID CHLORINE  
FOR THE WATER TREATMENT PLANT**

**(BID NO. 0498)**

**WHEREAS**, the City wishes to advertise for Public Bids for Liquid Chlorine for the Water Treatment Plant (Bid No. 0498).

**WHEREAS**, sealed bid proposals will be received until 4:00 P.M. on April 26, 2010 at the office of Edd Lee, Director of Purchasing, 1400 Sabine Street, Natchitoches, Louisiana 71457 at which date bids will be publically opened and read aloud ; and

**WHEREAS**, upon receipt of proposals the appointed committee of Pat Jones, Director of Finance; Edd Lee, Director of Purchasing; Sylvia Morrow, Councilwoman; and Bryan Wimberly, Director of Utilities are to review and make a recommendation of the bids received; and

**WHEREAS**, upon recommendation by the committee, the bid will be awarded at the regular City Council meeting to be held on Monday, April 26, 2010.

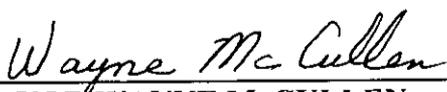
**NOW, THEREFORE, BE IT RESOLVED** by the Council of the City of Natchitoches, in legal session convened, that the Mayor Wayne McCullen be and is hereby authorized, empowered and directed to order the publication of the above bid.

**BE IT FURTHER RESOLVED** that the above bids will be opened at a regularly scheduled meeting of the City Council on April 26, 2010 and awarded at the City Council meeting on Monday, May 10, 2010.

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

<b>AYES:</b>	<b>Mims, Nielsen, McCain, Morrow, Payne</b>
<b>NAYS:</b>	<b>None</b>
<b>ABSENT:</b>	<b>None</b>
<b>ABSTAIN:</b>	<b>None</b>

**THEREUPON**, the Mayor, Wayne McCullen, declared the Resolution passed by a vote of 5 ayes to 0 nays, this the 22<sup>nd</sup> day of March, 2010.

  
\_\_\_\_\_  
MAYOR WAYNE McCULLEN

## **BID INVITATION**

**DATE: March 23, 2010**

**FROM:** City of Natchitoches  
Purchasing Department  
1400 Sabine Street  
Natchitoches, LA 71457

**BID NO.**                0498

**BID TITLE:**    **Liquid Chlorine – Water Treatment Plant**

SEALED BID PROPOSALS WILL BE  
RECEIVED UNTIL 4PM,

April 26, 2010

AT THE OFFICE OF EDD LEE,  
DIRECTOR OF PURCHASING, 1400  
SABINE STREET, NATCHITOCHEs, LA  
71457.

FOR ADDITIONAL INFORMATION  
CONTACT THE FOLLOWING:

Edd Lee  
DIRECTOR OF PURCHASING  
(318) 357-3824

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

**RESOLUTION NO. 022 OF 2010**

**A RESOLUTION AUTHORIZING THE MAYOR  
TO ADVERTISE FOR BIDS FOR BULK HYDRATED  
LIME FOR THE WATER TREATMENT PLANT**

**(BID NO. 0499)**

**WHEREAS**, the City wishes to advertise for Public Bids for Bulk Hydrated Lime for the Water Treatment Plant (Bid No. 0499).

**WHEREAS**, sealed bid proposals will be received until 4:00 P.M. on April 26, 2010 at the office of Edd Lee, Director of Purchasing, 1400 Sabine Street, Natchitoches, Louisiana 71457 at which date bids will be publically opened and read aloud ; and

**WHEREAS**, upon receipt of proposals the appointed committee of Pat Jones, Director of Finance; Edd Lee, Director of Purchasing; Sylvia Morrow, Councilwoman; and Bryan Wimberly, Director of Utilities are to review and make a recommendation of the bids received; and

**WHEREAS**, upon recommendation by the committee, the bid will be awarded at the regular City Council meeting to be held on Monday, April 26, 2010.

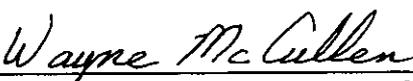
**NOW, THEREFORE, BE IT RESOLVED** by the Council of the City of Natchitoches, in legal session convened, that the Mayor Wayne McCullen be and is hereby authorized, empowered and directed to order the publication of the above bid.

**BE IT FURTHER RESOLVED** that the above bids will be opened at a regularly scheduled meeting of the City Council on April 26, 2010 and awarded at the City Council meeting on Monday, May 10, 2010.

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

**AYES: Mims, Payne, Nielsen, McCain, Morrow,**  
**NAYS: None**  
**ABSENT: None**  
**ABSTAIN: None**

**THEREUPON**, the Mayor, Wayne McCullen, declared the Resolution passed by a vote of 5 ayes to 0 nays, this the 22<sup>nd</sup> day of March, 2010.

  
\_\_\_\_\_  
MAYOR WAYNE McCULLEN

## **BID INVITATION**

**DATE: March 23, 2010**

**FROM:** City of Natchitoches  
Purchasing Department  
1400 Sabine Street  
Natchitoches, LA 71457

**BID NO.** 0499

**BID TITLE: Bulk Hydrated Lime - Water Treatment Plant**

SEALED BID PROPOSALS WILL BE  
RECEIVED UNTIL 4PM,

**April 26, 2010**

AT THE OFFICE OF EDD LEE,  
DIRECTOR OF PURCHASING, 1400  
SABINE STREET, NATCHITOCHES, LA  
71457.

FOR ADDITIONAL INFORMATION  
CONTACT THE FOLLOWING:

Edd Lee  
DIRECTOR OF PURCHASING  
(318) 357-3824

The meeting continued with Planning and Zoning, as follows:

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

**ORDINANCE NO. 010 OF 2010**

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

**LOT 57 FT. 6 IN. FRONT ON EAST SIDE OF SECOND ST. & DESCRIBED AS COMMENCING AT A POINT ON THE EAST SIDE OF NEW SECOND ST. A DISTANCE 57 FT. 6IN. SOUTH OF THE SOUTH SIDE OF CYPRESS ST. (NOW POETE ST.), THENCE SOUTHWARDLY ALONG THE EAST SIDE OF NEW SECOND ST. 57 FT. 6IN. TO THE NORTH LINE OF PROPERTY FORMERLY OF J. E. GUARDIA, THENCE EASTWARDLY ALONG THE NORTH LINE OF PROPERTY SOLD TO GUARDIA TO THE WEST SIDE OF AN ALLEY THAT IS 10 FT. WIDE MEASURING FROM THE LINE OF PROPERTY OF SEMELMAN, THENCE NORTHWARDLY ALONG THE WEST SIDE OF SAID ALLY 38 FT., THENCE WESTWARDLY ALONG THE SOUTH LINE OF PROPERTY FORMERLY OF JAMES DEY AND A. E. EWING 48 FT. 2 IN. TO A POINT, THENCE NORTHWARDLY 30 FT. TO A POINT, THENCE WESTWARDLY 8 FT. TO A POINT THAT IS DISTANCE OF 75 FT. 3 IN. SOUTHWARDLY OF THE SOUTH SIDE OF CYPRESS ST.(NOW POETE ST.) THENCE WESTWARDLY ALONE THE SOUTH LINE OF PROPERTY OF P.T. HEDGES 118 FT. TO THE POINT OF BEGINNING, THE EAST SIDE OF NEW SECOND STREET**

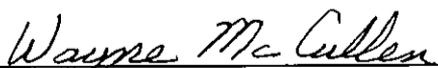
**(313 SECOND STREET)**

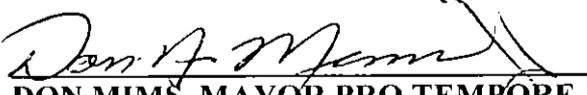
**WHEREAS**, the Planning Commission of the City of Natchitoches, State of Louisiana, has recommended at their meeting of Tuesday, February 2, 2010 that the request of Dr. Steve Brown, III and Edwin Dunahoe to rezone the property described above from **R-2** to **R-2 Special Exception** to operate a law office and to waive four (4) of the required eight (8) off-street parking spaces (313 Second Street, be **DENIED**.

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

**AYES:           None**  
**NAYS:           Nielsen, Morrow, Payne, Mims, McCain**  
**ABSENT:       None**  
**ABSTAIN:      None**

**THEREUPON**, the Mayor declared the Ordinance **FAILED** this 22<sup>nd</sup> day of March, 2010 by a vote of 0 ayes to 5 nays.

  
\_\_\_\_\_  
**WAYNE McCULLEN, MAYOR**

  
\_\_\_\_\_  
**DON MIMS, MAYOR PRO TEMPORE**

Delivered to the Mayor on the 23<sup>rd</sup> day of March, 2010 at 10:00 A.M.

Mr. Edwin Dunahoe advised that Mr. Wade Gordon and Ms. Mary Striegel had come by and visited and that he tried to answer any questions they had. He noted that there had not been any other inquiries for this property since the time they started this process until now, other than Mr. Conlay. He said he has addressed the concerns from the last meeting with Mr. Conlay about the nature of his practice, and nothing has changed, so he asked that the Council grant them permission for changing the zoning classification.

Ms. Mary Striegel, of 329 Rue Poete, confirmed that they did meet with Mr. and Mrs. Dunahoe, and they did assuage many of their concerns about the property. She said she feels that she still has an obligation to go on record that the homeowners of the area would prefer to see the property as residential. She said one of the things they would like the City Council to keep in mind for future situations is that for a safe, vibrant neighborhood, and that presence should be there at night as well as during the day.

The meeting continued with Ordinances, as follows:

The Mayor announced that the meeting would continue with a Public Hearing to discuss the Millage Rate for the Tax Year 2010 as per Ordinance 14. There were no comments, and the Mayor closed the Public Hearing.

**ORDINANCE NO. 014 OF 2010**

**AN ORDINANCE ADOPTING THE  
MILLAGE RATE FOR THE TAX YEAR 2010**

**BE IT ORDAINED**, that the following millage(s) are hereby levied on the 2010 tax roll on all property subject to taxation by the City of Natchitoches:

**MILLAGE**

<b>Public Safety Tax</b>	<b>10.0 mills</b>
<b>General Alimony Tax</b>	<b><u>7.03</u> mills</b>
<b>TOTAL MILLAGE</b>	<b>17.03 mills</b>

**BE IT FURTHER ORDAINED** that the proper administrative officials of the Parish of Natchitoches, Louisiana, be and they are hereby empowered, authorized and directed to spread said taxes, as hereinabove set forth, upon the assessment roll of said Parish for the Year 2010, and to make the collection of the taxes imposed for and on behalf of the taxing authority, according to law, and that the taxes herein levied shall become a permanent lien and privilege on all property subject to taxation as herein set forth, and collection thereof shall be enforceable in the manner provided by law.

**BE IT FURTHER ORDAINED**, that cognizance is taken by the City Council that this Ordinance was introduced on the 22<sup>nd</sup> day of March, 2010.

**ORDINANCE NO. 015 OF 2010**

**AN ORDINANCE AMENDING THE 2009 - 2010 BUDGET  
TO REFLECT ADDITIONAL REVENUES AND EXPENDITURES**

WHEREAS, Louisiana Statute requires that the City amend its operating budgets when fund balance is being budgeted, and there is a 5% unfavorable variance in revenues and expenditures.

NOW, THEREFORE BE IT RESOLVED, that the special funds budget be amended to reflect these additional revenues and expenditures as follows:

	<u>2009-2010 Original Budget</u>	<u>2009-2010 Amended Budget</u>	<u>Increase/ Decrease</u>
<b><u>Hazard Pay Fund (Fund 011)</u></b>			
<b>REVENUES:</b>			
011-0000-591-45-14 Transfer/Grant Match	10,000	104,980	94,980
	<hr/> 10,000	<hr/> 104,980	<hr/> 94,980
<b><u>Drug Recovery Fund (Fund 025)</u></b>			
<b>REVENUES:</b>			
025-0000-481-00-00 Miscellaneous Income	20,100	60,100	40,000
	<hr/> 20,100	<hr/> 60,100	<hr/> 40,000
<b>EXPENDITURES:</b>			
025-0000-591-26-24 Maintenance Contract	0	5,000	5,000
025-0000-591-30-25 Machinery/Equipment (Non-asset)	1,000	20,000	19,000
025-0000-591-40-02 Travel/Per Diem/Hotel	6,000	15,000	9,000
	<hr/> 7,000	<hr/> 40,000	<hr/> 33,000
<b><u>Natchitoches Convention Center (Fund 045)</u></b>			
<b>REVENUES:</b>			
045-0000-432-09-00 State Grant	119,467	180,079	60,612
045-0000-491-02-00 Transfer In from Utility Fund	0	192,000	192,000
	<hr/> 119,467	<hr/> 372,079	<hr/> 252,612
<b><u>Downtown Riverbank Wall (Fund 051)</u></b>			
<b>REVENUES:</b>			
051-0000-431-06-01 Local/Cane River Waterway Commission	40,000	80,000	40,000
051-0000-431-07-01 Local/NHDDC	62,500	100,000	37,500
051-0000-491-02-00 Transfer in from Utility Fund	0	40,000	40,000
	<hr/> 102,500	<hr/> 220,000	<hr/> 117,500
<b>EXPENDITURES:</b>			
051-0000-591-20-03 Contractual Services/Engineering Services	0	3,400	3,400
051-0000-591-20-13 Contractual Services/Construction	45,017	125,520	80,503
051-0000-591-30-13 Materials and Supplies/Buildings & Grounds Maintenance	20,000	41,080	21,080
051-0000-591-30-34 Materials and Supplies/Construction Materials	0	50,000	50,000
	<hr/> 65,017	<hr/> 220,000	<hr/> 154,983
<b><u>D.A.R.E. Grant Fund (Fund 057)</u></b>			
<b>REVENUES:</b>			
057-0000-432-08-00 State/DARE Reimbursement	18,497	0	(18,497)
	<hr/> 18,497	<hr/> 0	<hr/> (18,497)
<b>EXPENDITURES:</b>			
057-0000-591-35-16 Promotional/Improvement	2,392	0	(2,392)
057-0000-591-45-01 Transfer Out/General Fund	16,105	0	(16,105)
	<hr/> 18,497	<hr/> 0	<hr/> (18,497)
<b><u>Airport Operations (Fund 061)</u></b>			
<b>REVENUES:</b>			
061-0000-432-04-00 State/Grant	7,500	72,500	65,000
	<hr/> 7,500	<hr/> 72,500	<hr/> 65,000
<b>EXPENDITURES:</b>			
061-0000-591-20-03 Engineering Services	0	13,250	13,250
061-0000-591-20-06 Service Miscellaneous	0	22,000	22,000
061-0000-591-26-03 Repairs & Maintenance/Buildings & Grounds	9,500	39,250	29,750
	<hr/> 9,500	<hr/> 74,500	<hr/> 65,000
<b><u>Animal Shelter (Fund 062)</u></b>			
<b>EXPENDITURES:</b>			
062-0000-591-20-09 Landfill	0	2,000	2,000
062-0000-591-26-03 Repairs & Maintenance/Buildings & Grounds	0	20,000	20,000
062-0000-591-30-13 Materials & Supplies/Building & Ground Maintenance	1,000	5,000	4,000
062-0000-591-30-16 Materials & Supplies/Tools & Equipment	0	1,000	1,000
062-0000-591-30-25 Machinery & Equipment (Non-asset)	0	10,000	10,000
062-0000-591-90-02 Capital Assets/Machinery & Equipment	0	20,000	20,000
	<hr/> 1,000	<hr/> 58,000	<hr/> 57,000
<b><u>Sales Tax Fund (Fund 074)</u></b>			
<b>REVENUES:</b>			
074-0000-431-11-00 Local/Video Bingo	0	600,000	600,000
	<hr/> 0	<hr/> 600,000	<hr/> 600,000
<b>EXPENDITURES:</b>			
074-0000-591-45-01 Transfer Out/General Fund	0	600,000	600,000
	<hr/> 0	<hr/> 600,000	<hr/> 600,000
<b><u>Capital Project/Water Treatment Plant (Fund 075)</u></b>			
<b>REVENUES:</b>			
075-0000-482-00-00 Interest	0	4,000	4,000
	<hr/> 0	<hr/> 4,000	<hr/> 4,000
<b><u>Virginia Baker Park (Fund 079)</u></b>			
<b>REVENUES:</b>			
079-0000-431-03-00 Local Grant	0	50,000	50,000
079-0000-491-02-00 Transfer in from Utility Fund	0	50,000	50,000
	<hr/> 0	<hr/> 100,000	<hr/> 100,000
<b>EXPENDITURES:</b>			
079-0000-591-20-13 Contractual Services/Construction	0	50,000	50,000
079-0000-591-30-13 Materials & Supplies/Buildings and Grounds	0	50,000	50,000
	<hr/> 0	<hr/> 100,000	<hr/> 100,000

	<u>2009-2010</u> <u>Original Budget</u>	<u>2009-2010</u> <u>Amended Budget</u>	<u>Increase/</u> <u>Decrease</u>
<b><u>Debt Service - ARRA 2009 - Sewer Upgrades (Fund 083)</u></b>			
<b>REVENUES:</b>			
083-0000-433-09-00 Federal Grant	0	1,183,000	1,183,000
	0	1,183,000	1,183,000
<b>EXPENDITURES:</b>			
083-0000-591-20-03 Contractual Services/Engineering	0	95,500	95,500
083-0000-591-20-04 Consultants (GNF)	0	35,000	35,000
083-0000-591-20-13 Construction	0	1,037,977	1,037,977
083-0000-591-50-06 Bond Issuance Costs	0	14,523	14,523
	0	1,183,000	1,183,000
<b><u>LED Grant (Fund 086)</u></b>			
<b>REVENUES:</b>			
086-0000-431-09-00 Local Grant	0	10,000	10,000
086-0000-432-09-00 State Grant	0	25,000	25,000
	0	35,000	35,000
<b>EXPENDITURES:</b>			
086-0000-591-20-04 Contractual Services/Consultants	14,400	35,000	20,600
	14,400	35,000	20,600
<b><u>Miss Merry Christmas (Fund 087)</u></b>			
<b>REVENUES:</b>			
087-0000-475-01-00 Pageant Entry Fees	500	1,350	850
087-0000-475-02-00 Pageant Ad Sales	3,000	6,000	3,000
087-0000-475-03-00 Pageant Program Book Sales	250	500	250
087-0000-475-04-00 Pageant Ticket Sales	1,000	1,350	350
087-0000-475-05-00 Pageant Sponsorship	0	2,157	2,157
	4,750	11,357	6,607
<b>EXPENDITURES:</b>			
087-0000-591-35-16 Operating Expenses/Promotional/Improvement	3,500	8,107	4,607
087-0000-591-40-02 Operating Expenses/Travel/Per Diem/Hotel	2,000	4,000	2,000
	5,500	12,107	6,607
<b><u>Miss City of Lights (Fund 088)</u></b>			
<b>REVENUES:</b>			
088-0000-476-04-00 Pageant Ticket Sales	0	1,600	1,600
088-0000-491-59-00 Transfer in - General Fund	2,300	6,300	4,000
	2,300	7,900	5,600
<b>EXPENDITURES:</b>			
088-0000-591-30-09 Materials & Supplies/Awards	2,500	3,680	1,180
088-0000-591-35-16 Operating Expenses/Promotional/Improvement	300	1,300	1,000
088-0000-591-35-67 Operating Expenses/Entertainment	0	1,000	1,000
088-0000-591-40-02 Operating Expenses/Travel/Per Diem/Hotel	500	2,500	2,000
	3,300	8,480	5,180
<b><u>The Rapides Foundation (Fund 089)</u></b>			
<b>REVENUES:</b>			
089-0000-431-03-00 Local Grant	0	50,000	50,000
	0	50,000	50,000
<b>EXPENDITURES:</b>			
089-0000-591-20-13 Contractual Services/Construction	0	12,500	12,500
089-0000-591-30-13 Materials & Supplies/Buildings and Grounds	0	12,500	12,500
089-0000-591-30-25 Materials & Supplies/Machinery & Equipment (Non-asset)	0	12,500	12,500
089-0000-591-35-16 Operating Services/Promotional	0	12,500	12,500
	0	50,000	50,000
<b><u>Multijurisdictional Task Force (Fund 104)</u></b>			
<b>REVENUES:</b>			
104-0000-432-09-00 State Grant	26,487	51,487	25,000
	26,487	51,487	25,000
<b>EXPENDITURES:</b>			
104-0000-591-30-25 Machinery/Equipment (Non-asset)	0	25,000	25,000
	0	25,000	25,000
<b><u>Keep Louisiana Beautiful (Fund 112)</u></b>			
<b>REVENUES:</b>			
112-0000-432-09-00 State/Grant	0	5,500	5,500
	0	5,500	5,500
<b>EXPENDITURES:</b>			
112-0000-591-35-16 Operating Expenses/Promotional/Improvement	0	5,000	5,000
112-0000-591-35-37 Operating Expenses/Dues	0	500	500
	0	5,500	5,500
<b><u>Louisiana Retirement Development (Fund 115)</u></b>			
<b>EXPENDITURES:</b>			
115-0000-591-30-02 Materials & Supplies/Postage	0	200	200
115-0000-591-35-16 Promotional/Improvement	0	1,000	1,000
	0	1,200	1,200
<b><u>State Office of Cultural Development (Fund 131)</u></b>			
<b>REVENUES:</b>			
131-0000-432-09-00 State/Grant	0	5,000	5,000
	0	5,000	5,000
<b>EXPENDITURES:</b>			
131-0000-591-20-04 Contractual Services/Consultants	0	2,500	2,500
131-0000-591-35-16 Operating Services/Promotional/Improvements	11,000	2,500	13,500
	11,000	5,000	16,000

	<u>2009-2010</u> <u>Original Budget</u>	<u>2009-2010</u> <u>Amended Budget</u>	<u>Increase/</u> <u>Decrease</u>
<b><u>NSU Turf Replacement (Fund 134)</u></b>			
<b>REVENUES:</b>			
134-0000-431-09-00 Local Grant	0	65,000	65,000
134-0000-432-09-00 State Grant	500,000	990,000	490,000
	500,000	1,055,000	555,000

<b>EXPENDITURES:</b>			
134-0000-591-20-03 Contractual Services/Engineering Services	0	23,000	23,000
134-0000-591-20-13 Contractual Services/Construction	470,000	700,000	230,000
	470,000	723,000	253,000

**Local Government Assistance Program-LGAP-FY2008-Fire Dept (Fund 137)**

<b>REVENUES:</b>			
137-0000-432-09-00 State Grant	0	20,000	20,000
137-0000-491-11-00 Transfer In - from Fund 011	0	94,980	94,980
	0	114,980	114,980

<b>EXPENDITURES:</b>			
137-0000-591-90-51 Capital Assets/Improvements/Buildings & Grounds	0	114,980	114,980
	0	114,980	114,980

**South Natchitoches Drainage Improvements (Fund 138)**

<b>REVENUES:</b>			
138-0000-432-09-00 State Grant	0	49,000	49,000
	0	49,000	49,000

<b>EXPENDITURES:</b>			
138-0000-591-20-03 Contractual Services/Engineering	0	49,000	49,000
	0	49,000	49,000

**SRAC Arts Funding (Fund 201)**

<b>REVENUES:</b>			
201-0000-431-09-00 Local Grant	1,575	5,000	3,425
	1,575	5,000	3,425

<b>EXPENDITURES:</b>			
201-0000-591-35-16 Operating Services/Promotional/Improvement	1,575	5,000	3,425
	1,575	5,000	3,425

**National Park Service - CRNHA (Fund 208)**

<b>REVENUES:</b>			
208-0000-433-09-00 Federal Grant	0	35,693	35,693
	0	35,693	35,693

<b>EXPENDITURES:</b>			
208-0000-591-20-04 Contractual Services/Consultants	0	700	700
208-0000-591-20-13 Contractual Services/Construction	0	2,000	2,000
208-0000-591-30-13 Materials & Supplies/Buildings and Grounds Maintenance	0	4,000	4,000
208-0000-591-30-20 Materials & Supplies/Street Signs	0	6,000	6,000
208-0000-591-30-30 Materials & Supplies/Freight Expense	0	100	100
208-0000-591-35-16 Operating Expense/Promotional/Improvement	0	100	100
	0	12,900	12,900

**BJA Byrne Jag/Police Dept. & NPSO (Fund 212)**

<b>REVENUES:</b>			
212-0000-433-09-00 Federal Grant	0	161,020	161,020
	0	161,020	161,020

<b>EXPENDITURES:</b>			
212-0000-591-20-99 Contractual Services/Other	0	58,348	58,348
212-0000-591-30-25 Materials & Supplies/Machinery & Equipment (Non-asset)	0	102,672	102,672
	0	161,020	161,020

**BJA Byrne Jag/Criminal Justice Technology Upgrades (Fund 213)**

<b>REVENUES:</b>			
213-0000-433-09-00 Federal Grant	0	70,890	70,890
	0	70,890	70,890

<b>EXPENDITURES:</b>			
213-0000-591-30-25 Materials & Supplies/Machinery & Equipment (Non-asset)	0	35,445	35,445
213-0000-591-30-31 Materials & Supplies/Data Processing Equipment	0	35,445	35,445
	0	70,890	70,890

The Above Ordinance was introduced on the 22nd day of March, having been duly advertised in accordance with law and a public hearing had on same, was put to a vote by the Mayor and the vote was recorded as follows:

**AYES:**  
**NAYS:**  
**ABSENT:**  
**ABSTAIN:**

THEREUPON, the Mayor declared the Ordinance PASSED this \_\_\_\_ Day of \_\_\_\_\_, \_\_\_\_ by a vote of \_\_ ayes to \_\_ nays.

\_\_\_\_\_  
MAYOR

\_\_\_\_\_  
MAYOR PRO TEMPORE

Delivered to the Mayor on the \_\_\_\_ day of \_\_\_\_\_, 2010 at 10:00 A.M.

**ORDINANCE NUMBER 016 OF 2010**

**AN ORDINANCE AUTHORIZING THE CITY TO LEASE A TRACT OF LAND DESCRIBED AS LOT 20 OF THE AIR INDUSTRIAL PARK TO COLD WATER PROPERTIES, L.L.C., SETTING THE TERMS AND CONDITIONS OF SAME, AND AUTHORIZING THE EXECUTION OF THE LEASE BY THE MAYOR, WAYNE MCCULLEN, AFTER DUE COMPLIANCE WITH THE LAW, AND FURTHER PROVIDING FOR ADVERTISING OF THE LEASE AND AN EFFECTIVE DATE**

**WHEREAS**, the City of Natchitoches, Louisiana is the owner of Lot 20 of the Air Industrial Park, which property is currently vacant; and

**WHEREAS FURTHER**, Lot 20 is adjacent and to the West of Lot 19 of the Air Industrial Park which property is currently owned by Cold Water Properties, L.L.C., a Louisiana limited liability company; and

**WHEREAS FURTHER**, Cold Water Properties, L.L.C. anticipates the need for additional property for its business operations and has negotiated with the City for the Lease of Lot 20 of the Air Industrial Park; and

**WHEREAS FURTHER**, the City and Cold Water Properties, L.L.C. have agreed to a five-year lease of Lot 20 of the Air Industrial Park, with two additional five-year options, and they desire to enter into a written lease for a five-year term, with two five-year options, under the terms and conditions as set forth on the attached lease; and

**WHEREAS FURTHER**, the lease will begin May 1, 2010 with consideration in the amount of \$400.00 per month, said consideration shall be paid annually in advance in the amount of \$4,800.00, and annually thereafter; and

**WHEREAS FURTHER**, the City Council of the City of Natchitoches, Louisiana, find that the subject property is not currently needed for any public purpose; and

**WHEREAS FURTHER**, the proposed lease has been reviewed and approved by the City Council of the City of Natchitoches;

**NOW THEREFORE, BE IT ORDAINED** by the City Council of the City of Natchitoches, Louisiana, that the Council finds that the subject property is not currently needed for any public purpose, and that the Council desires to generate rental income on the subject property.

**BE IT FURTHER ORDAINED** by the City Council of the City of Natchitoches, in legal session convened that the lease agreement by and between Cold Water Properties, L.L.C. and the City of Natchitoches is hereby approved, under the terms and conditions set forth therein, and accordingly, the Mayor, Wayne McCullen, is hereby authorized and empowered to act on behalf of the City and execute the said lease agreement.

**BE IT FURTHER ORDAINED** by the City Council of the City of Natchitoches, Louisiana, that the Clerk for the City of Natchitoches be directed to publish notice of this Ordinance three times in fifteen days, one week apart, in the legal journal for the City of Natchitoches, and that Ordinance be posted in the City Hall.

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

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

**THIS ORDINANCE** was introduced on this the 22<sup>nd</sup> day of March, 2010.



# CITY OF NATCHITOCHEs

*Oldest Settlement in the Louisiana Purchase*

## OFFICE OF PURCHASING

Wayne McCullen  
Mayor

Don Mims, Jr. March 16, 2010  
Councilman At Large

Jack McCain, Jr. City of Natchitoches  
Councilman  
District 1 Mayor Wayne McCullen

Dale Nielsen P.O. Box 37  
Councilman  
District 2 Natchitoches LA 71458-0037

Sylvia Morrow  
Councilwoman  
District 3 Re: Air Industrial Park

Larry Payne  
Councilman  
District 4 Dear Mayor McCullen,

As Director of Natchitoches Regional Airport, I am in full support of leasing lot 20, of the Natchitoches Air Industrial Park to Mr. Carlton Golden and/or Builder's supply. The lease of this currently unused parcel of land will generate additional revenue for the Airport and will be beneficial to Mr. Golden, by providing an area to store consumable items such as sand and gravel.

I appreciate your consideration of leasing this parcel and I will be more than happy to assist any way that I can.

Sincerely,

Edd Lee  
Airport Director

**RESOLUTION NO. 2 OF 2010**

**RESOLUTION RECOMMENDING LEASE  
OF LOT 20 ON DANIEL STREET**

**WHEREAS**, Carlton Golden and/or Builder's Supply ("Lessee") desires to lease Lot 20 on Daniel Street for storage of consumables such as sand and gravel; and

**WHEREAS**, Lot 20 is a part of the Air Industrial Park and falls under the care and control of the Natchitoches Regional Airport and Airport Commission; and

**WHEREAS**, Lessee shall comply with all airport height and zoning ordinances and Federal and State DOTD guidelines; and

**WHEREAS**, the Airport Commission believes that it is in the best interest of the Natchitoches Regional Airport and Air Industrial Park to lease Lot 20 to Carlton Golden and/or Builder's Supply;

**BE IT RESOLVED** that the Airport Commission recommends leasing Lot 20 on Daniel Street to Carlton Golden and/or Builder's Supply.

**THUS DONE AND SIGNED** this 15<sup>th</sup> day of March, 2010, as per agreement of the members of Natchitoches Airport Commission at their regular monthly meeting held on March 15, 2010.

**NATCHITOCHEs AIRPORT COMMISSION**

  
\_\_\_\_\_  
**SAM PARKER, CHAIRMAN**

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

**ORDINANCE NO. 009 OF 2010**

**AN ORDINANCE ACCEPTING AND APPROVING THE POWER SUPPLY AGREEMENT FOR SALE OF POWER AND ENERGY BETWEEN CLECO POWER LLC AND THE CITY OF NATCHITOCHEs, LOUISIANA AND AUTHORIZING THE MAYOR TO EXECUTE THE POWER SUPPLY AGREEMENT ON BEHALF OF THE CITY**

**WHEREAS**, the City of Natchitoches operates a municipal electric utility for the purpose of providing electric power to its residential, governmental, commercial and industrial customers; and

**WHEREAS**, the City provides generation, transmission, and distribution services within and without the city limits; and

**WHEREAS**, the City and Cleco Power, LLC, have negotiated the Power Supply Agreement, which said agreement has been reviewed and approved by the City, and said agreement is attached hereto; and

**WHEREAS**, the City Council believes that the said Power Supply Agreement is in the best interest of the City and further agrees that the Power Supply Agreement should be accepted.

**NOW, THEREFORE, BE IT ORDAINED** by the City Council in legal session convened, that the said Power Supply Agreement for Sale of Power and Energy Between Cleco Power LLC and the City of Natchitoches be and the same is hereby approved.

**BE IT FURTHER ORDAINED** that the Mayor, Wayne McCullen, is hereby authorized and empowered to represent the City of Natchitoches and to execute said Agreement on behalf of the City, a copy of which Power Supply Agreement is hereby attached and made a part of this Ordinance.

**BE IT FURTHER ORDAINED** that the Mayor, Wayne McCullen, is hereby authorized and empowered to do all other things necessary or proper in the premises to implement and place this Power Supply Agreement in effect.

**BE IT FURTHER ORDAINED** that a Public Hearing is hereby fixed for the 22<sup>nd</sup> day of March, 2010, which is the next regularly scheduled City Council Meeting.

**THIS ORDINANCE** was introduced at a regular meeting of the City Council held on the 8<sup>th</sup> day of March, 2010.

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

**AYES:** McCain, Nielsen, Mims, Payne  
**NAYS:** Morrow  
**ABSENT:** None  
**ABSTAIN:** None

**THEREUPON**, the Mayor declared the Ordinance **PASSED** this 22<sup>nd</sup> day of March by a vote of 4 ayes to 1 nay.

  
MAYOR

  
MAYOR PRO TEMPORE

Delivered to the Mayor on the 23<sup>rd</sup> day of March, 2010 at 10:00 A.M.

**POWER SUPPLY AGREEMENT**

**BETWEEN**

**CLECO POWER LLC**

**AND**

**THE CITY OF NATCHITOCHE**

## TABLE OF CONTENTS

ARTICLE I	DEFINITIONS.....	Page
	Agreement .....	6
	Ancillary Services .....	6
	Availability Notice.....	6
	Balancing Authority or Control Area .....	6
	Bankrupt.....	6
	Billing Month .....	7
	Business Day.....	7
	BUYER .....	7
	BUYER Resources .....	7
	BUYER System Facilities.....	7
	Cleco NITS .....	7
	Cleco OATT.....	7
	Cleco Transmission Charges.....	7
	Cleco Transmission Loss Factor.....	7
	Defaulting Party .....	7
	Effective Date .....	7
	Event of Default .....	8
	FERC .....	8
	Full Requirements.....	8
	Good Utility Practice .....	8
	Governmental Authority .....	8
	Interest Rate .....	8
	NERC .....	8
	Non-Defaulting Party .....	9
	Parties .....	9
	Party .....	9
	Point of Delivery.....	9
	Reasonable Diligence.....	9
	Reliability Coordinator.....	9
	Reliability Standards .....	9

SELLER.....	9
SPP .....	10
SPP Criteria.....	10
SWPA Capacity and Energy .....	10
SWPA Contract.....	10
Term .....	10
Transmission Provider .....	10
Transmission Services .....	10
Wholesale Fuel Cost.....	10
<b>ARTICLE II TERMS AND CONDITIONS OF POWER SUPPLY SERVICE .....</b>	<b>10</b>
2.1 Service Supplied by SELLER .....	10
2.2 Conditions on Service. ....	11
2.3 SWPA Capacity and Energy.....	11
2.4 Purchased Power.....	11
2.5 Facility Credit .....	11
<b>ARTICLE III TRANSMISSION SERVICE .....</b>	<b>11</b>
3.1 Transmission Service .....	11
3.2 Buyer System Facilities .....	11
<b>ARTICLE IV OPERATING RESPONSIBILITIES .....</b>	<b>12</b>
4.1 Operating Responsibilities of BUYER .....	12
4.2 Load Shedding .....	12
<b>ARTICLE V METERING .....</b>	<b>12</b>
5.1 Meter Reading .....	12
5.2 Meters, Associated Transformers and Telemetry Facilities .....	12
5.3 Meter Tests .....	12
5.4 Meter Accuracy .....	13
5.5 Meter Adjustments .....	13
<b>ARTICLE VI BILLINGS AND PAYMENTS .....</b>	<b>13</b>
6.1 Compensation .....	13
6.2 Payment by BUYER to SELLER .....	13

6.3	Taxes .....	14
6.4	Environmental Regulations.....	14
<b>ARTICLE VII</b>	<b>ADDITIONAL PROVISIONS .....</b>	<b>14</b>
7.1	Planning .....	14
7.2	Responsibility for Electricity .....	15
7.3	Continuity of Service .....	15
7.4	Right of Access .....	15
7.5	Hold Harmless.....	15
<b>ARTICLE VIII</b>	<b>EVENTS OF DEFAULT AND REMEDIES .....</b>	<b>16</b>
8.1	Default Defined .....	16
8.2	Remedies for Default.....	16
<b>ARTICLE IX</b>	<b>DISPUTE RESOLUTION .....</b>	<b>17</b>
<b>ARTICLE X</b>	<b>GENERAL PROVISIONS .....</b>	<b>18</b>
10.1	Governing Law .....	18
10.2	Notice.....	18
10.3	Section Headings Not To Affect Meaning .....	19
10.4	Term .....	19
10.5	Counterparts .....	19
10.6	Amendments.....	19
10.7	Exhibits and Schedules .....	19
10.8	Severability .....	19
10.9	Computation of Time.....	20
10.10	Limitation.....	20
10.11	Waivers.....	20
10.12	Changes in Rates, Charges, Terms and Conditions.....	21
10.13	Market-Based Rate .....	21
10.14	RTO Changes .....	21
10.15	Regulatory Liability.....	22
10.16	Successors and Assigns .....	22
10.17	Rounding.....	22

10.18	Survivorship of Obligations	22
10.19	Force Majeure	23
10.20	Representations and Warranties	23
10.22	Title and Risk of Loss	24
10.23	Independent Parties	24
10.24	Jointly Developed Agreement	24
10.25	Additional Documents	24
10.25	Certification Requests	24

<b>EXHIBIT A - BUYER Monthly Charges</b>	<b>26</b>
<b>EXHIBIT A-1 – Wholesale-Fuel Cost Adjustment</b>	<b>28</b>
<b>EXHIBIT A-2 – Annual Facility Credit</b>	<b>29</b>
<b>EXHIBIT B – Sample Bill</b>	<b>30</b>

**POWER SUPPLY AGREEMENT**

**BETWEEN**

**SELLER POWER LLC**

**AND**

**THE CITY OF NATCHITOCHE**

THIS AGREEMENT FOR Wholesale Electric Power Service (hereinafter referred to as "Agreement"), made and entered into this 1<sup>st</sup> day of April, 2010, by and between Cleco Power LLC, an investor-owned utility company engaged in the business of generating, transmitting, distributing, and selling electricity at retail and wholesale in, among other places, certain parts of the State of Louisiana, (hereinafter referred to as "SELLER"), and the City of Natchitoches, Louisiana, a Louisiana municipal corporation (hereinafter referred to as "BUYER"). BUYER and SELLER are referred to individually as a "Party" and collectively as the "Parties."

**WITNESSETH:**

WHEREAS, BUYER operates a municipal electric utility for the purpose of providing electric power to its residential, governmental, commercial and industrial customers; and

WHEREAS, BUYER provides distribution services within and without the city limits of Natchitoches, Louisiana; and

WHEREAS, SELLER is engaged in the business of providing electric power supplies to wholesale customers within Louisiana;

WHEREAS, the Parties entered into a wholesale contract on November 12, 2002, providing for SELLER to provide BUYER with full requirements capacity and energy, and to provide fuel and dispatch services for the Natchitoches Power Plant so that generation from the plant could be delivered to BUYER, such contract having been extended to March 31, 2010; and

WHEREAS, BUYER requested proposals from entities in the business of providing electric power supplies to wholesale customers for a multi-year power supply agreement to provide BUYER with full requirements capacity and energy; and

WHEREAS, SELLER responded to BUYER's request for proposals and was the successful offeror; and

WHEREAS, to accomplish the purchase and sale, SELLER and BUYER desire to enter into this "Power Supply Agreement" under which SELLER shall provide to BUYER at the Point of Delivery BUYER's Full Requirements.

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements hereinafter set forth, the Parties hereto mutually contract and agree as follows:

## ARTICLE I

### DEFINITIONS

The following terms herein shall have the respective meanings set forth below:

#### Agreement

"Agreement" means this Power Supply Agreement.

#### Ancillary Services

"Ancillary Services" means those services that are necessary to support the transmission of capacity and energy from resources while maintaining reliable operation of the transmission provider's transmission system in accordance with Good Utility Practice as set forth in the OATT published by SELLER, in its capacity as a transmission provider.

#### Balancing Authority or Control Area

"Balancing Authority or Control Area" shall have the meaning set forth in the Cleco OATT.

#### Bankrupt

"Bankrupt" means, with respect to any entity, that such entity (i) files a petition or otherwise commences, authorizes, or acquiesces in the commencement of a proceeding or cause of action under any bankruptcy, insolvency, reorganization or similar law, or has any such petition filed or commenced against it, which proceeding or petition is not dismissed, discharged, stayed, or restrained in each case within forty-five (45) days of the institution or presentation thereof; (ii) makes an assignment or any general arrangement for the benefit of creditors; (iii) otherwise becomes bankrupt or insolvent (however evidenced); (iv) has a

liquidator, administrator, receiver, trustee, conservator, or similar official appointed with respect to it or any substantial portion of its property or assets; or (v) is generally unable to pay its debts as they become due.

Billing Month

"Billing Month" means the time from the date of the period-beginning meter reading and extending through the date of the period-ending meter reading, which readings shall be made approximately every thirty (30) days.

Business Day

"Business Day" means Monday through Friday except for legal holidays recognized by the State of Louisiana.

BUYER Resources

"BUYER Resources" means the SWPA Capacity and Energy.

BUYER System Facilities

"BUYER System Facilities" means the transformers and related wires of BUYER that SELLER may rely on to ensure system reliability.

Cleco NITS

"Cleco NITS" means Network Integrated Transmission Service (as set forth in the Cleco OATT) provided by SELLER, in its capacity as a transmission provider, to SELLER, in its capacity as a wholesale energy supplier and a transmission customer, for delivery of the Full Requirements to the Point of Delivery.

Cleco OATT

"Cleco OATT" means the Open Access Transmission Tariff filed with FERC by SELLER, as such may be amended or superseded from time to time.

Cleco Transmission Charges

"Cleco Transmission Charges" means all monthly charges related to the Cleco OATT for delivery of the Full Requirements to the Point of Delivery.

Cleco Transmission Loss Factor

"Cleco Transmission Loss Factor" means the loss factors for capacity and energy as set forth in the Cleco OATT.

Defaulting Party

"Defaulting Party" shall have the meaning defined in Section 8.1.

Effective Date

"Effective Date" shall be the day this Agreement is executed by the Parties.

#### Event of Default

"Event of Default" shall have the meaning defined in Section 8.1.

#### FERC

"FERC" means the Federal Energy Regulatory Commission or any successor agency.

#### Full Requirements

"Full Requirements" means the amount of wholesale firm capacity and energy over and above the SWPA Capacity and Energy as needed by BUYER at the Point of Delivery for BUYER to serve its entire customer load.

#### Good Utility Practice

"Good Utility Practice" means any of the practices, methods, and acts engaged in or approved by a significant portion of the electric utility industry during the relevant time period, or any of the practices, methods and acts which, in the exercise of reasonable judgment in light of the facts known at the time the decision was made, could have been expected to accomplish the desired result at a reasonable cost consistent with good business practices, reliability, safety and expedition. Good Utility Practice is not intended to be limited to the optimum practice, method or act to the exclusion of all others, but rather to be a range of acceptable practices, methods or acts that could have been expected to accomplish the desired result at a reasonable cost consistent with reliability, safety, and expedition. Good Utility Practice includes due regard for, among other things, the requirements of governmental authorities of competent jurisdiction, agencies such as NERC and any successor organization, regional Reliability Standards and local reliability practices.

#### Governmental Authority

"Governmental Authority" means (a) any federal, state, local, municipal or other government or (b) any other governmental, quasi-governmental, regulatory or administrative agency or commission or other authority (including NERC, any regional transmission organization, control area operator, other transmission operator or authority, reliability council and any recognized stock exchange or securities trading market) lawfully exercising or entitled to exercise any administrative, executive, judicial, legislative, police, policy, regulatory or taxing authority or power over the Parties or the services to be provided under this agreement.

#### Interest Rate

"Interest Rate" means, for any date, the lesser of (a) the per annum rate of interest equal to the prime lending rate as may from time to time be published in *The Wall Street Journal* under "Money Rates" on such day (or, if not published on such day, on the most recent preceding day on which published), plus two percentage points (2%) or (b) the maximum rate permitted by applicable law.

#### NERC

"NERC" means the North American Electric Reliability Corporation.

Non-Defaulting Party

"Non-Defaulting Party" shall have the meaning defined in Section 8.2.

Parties

"Parties" means SELLER and BUYER, collectively.

Party

"Party" means either SELLER or BUYER, individually.

Point of Delivery

"Point of Delivery" shall be the the high voltage side of BUYER's interconnection with SELLER's transmission system at the Dixie Street Electrical Substation or such other point upon reasonable notice from BUYER to SELLER.

Reasonable Diligence

"Reasonable Diligence" means at a particular time that degree of dedication to purpose which would be employed by a reasonable and prudent electric utility, which in the exercise of reasonable judgment in the light of the facts known at the time, and the facts which, in the exercise of reasonable care, should be known at the time, that a particular decision is made, to accomplish a desired result at a reasonable cost under the circumstances then existing, consistent with reliability and safety.

Reliability Coordinator

"Reliability Coordinator" means SPP in its capacity as Reliability Coordinator or Security Coordinator (as set forth in the SPP Criteria for SPP Members) or any successor entity, which entity is the highest level of authority responsible for enforcing the reliable operation of the generation resources, transmission lines, neighboring systems, and associated equipment for SELLER, and has the authority to prevent or mitigate emergency operating situations.

Reliability Standards

"Reliability Standards" means the reliability requirements for planning and operating the North American bulk electric power system as set forth by the NERC and that define the functions that must be performed to ensure the dependable operation of the bulk electric power system, as such Reliability Standards may be amended, restated or renamed from time to time.

SELLER

"SELLER" means Cleco Power LLC, an investor-owned utility company engaged in the business of generating, transmitting, and distributing electricity in, among other places, certain parts of the State of Louisiana.

SPP

"SPP" means the Southwest Power Pool.

SWPA Capacity and Energy

"SWPA Capacity and Energy" means the capacity and energy that is allocated to BUYER pursuant to the SWPA Contract.

SWPA Contract

"SWPA Contract" means the contract between BUYER and the United States, Department of Energy, Southwestern Power Administration under which BUYER is allocated 2,600 kW of capacity and energy.

Term

"Term" has the meaning assigned in Section 10.4.

Transmission Provider

"Transmission Provider" means Cleco Power LLC, in its capacity as a transmission provider, and any other entity that provides transmission services in connection with delivery of the Full Requirements.

Transmission Services

"Transmission Services" means transmission services provided in accordance with the terms of this Agreement.

Wholesale Fuel Cost

"Wholesale Fuel Cost" means the Adjustment Factor as set forth and calculated each month in accordance with "Exhibit A-1, Wholesale-Fuel Cost Adjustment," attached hereto and made a part hereof.

**ARTICLE II**

**TERMS AND CONDITIONS OF POWER SUPPLY SERVICE**

**2.1 Service Supplied by SELLER**

Beginning on the Effective Date and throughout the term of this Agreement, SELLER agrees to sell to BUYER and BUYER agrees to purchase Full Requirements from SELLER at the Point of Delivery. It is understood and agreed that the supply of Full Requirements shall be on a priority equal to that of other firm full requirements customers of SELLER.

Beginning on the Effective Date, and continuing throughout the Term of this Agreement, service shall be provided at the rates and charges determined in accordance with Exhibit A

included in this Agreement, subject to all other terms and conditions contained in this Agreement.

## 2.2 Conditions on Service

SELLER and BUYER are directly interconnected at the Point of Delivery. BUYER agrees, as a condition to the delivery of energy and capacity pursuant to this Agreement, to enter into and maintain all necessary agreements for interconnection of BUYER's system to SELLER's transmission system at the Point of Delivery. SELLER is under no obligation pursuant to this Agreement to: (i) build or pay for any transmission facilities required to support the interconnection of BUYER's system to SELLER's transmission system, (ii) provide any additional points of interconnection or points of delivery, (iii) pay for any transmission system upgrades, including without exception, any upgrades that may be required to deliver the Full Requirements to the Point of Delivery, even in the event service cannot be provided through existing transmission facilities.

## 2.3 SWPA Capacity and Energy

SELLER acknowledges that BUYER is entitled to an allocation of capacity and energy from SWPA. BUYER hereby appoints SELLER to be its agent, and SELLER hereby accepts such appointment, for the purpose of scheduling and coordinating the delivery and dispatch of capacity and energy with SWPA. BUYER shall be responsible for payment to SWPA for BUYER's allocation and to transmission providers that transmit BUYER's SWPA allocation to the Point of Delivery.

## 2.4 Purchased Power

SELLER may from time to time purchase power for delivery to BUYER in order to satisfy its obligations under this Agreement. However, SELLER shall never be obligated to purchase power at any time for BUYER. The Parties agree that the terms for any purchases of power specifically designated for BUYER (Specific Purchased Delivered Energy) that are for a period equal to or in excess of twenty-eight days must be documented in a written confirmation between the Parties. To the extent the payment provisions contained in such confirmations conflict with the payment provisions in Exhibit A, the provisions in such confirmations will prevail.

# ARTICLE III

## TRANSMISSION SERVICE

### 3.1 Transmission Service

Throughout the term of this Agreement, SELLER shall make all arrangements and execute all agreements for the transmission services to deliver BUYER's Full Requirements to the Point of Delivery, including energy delivered from the BUYER Resources. Such agreements shall provide for transmission service incident to SELLER's provision of the services described herein to BUYER, including any charges imposed pursuant to the Cleco OATT or any other transmission tariff. BUYER shall be responsible for paying for all transmission services necessary for delivery of Full Requirements under this Agreement, including but not limited to all Cleco Transmission Charges.

### 3.2 Buyer System Facilities

SELLER may rely on BUYER System Facilities and shall compensate BUYER pursuant to Exhibit A-2, Annual Facility Credit.

## ARTICLE IV

### OPERATING RESPONSIBILITIES

#### 4.1 Operating Responsibilities of BUYER

BUYER shall exercise Good Utility Practice in maintaining and operating its electric utility system.

#### 4.2 Load Shedding

Prior to the Effective Date, BUYER shall establish load shedding and curtailment procedures consistent with the requirements for Network Integration Transmission Service under the Cleco OATT (Cleco NITS) and any associated Network Operating Agreement related to the services provided herein. In the event there is an emergency resulting in a shortage of capacity and/or electric energy that requires SELLER to curtail deliveries to its customers, BUYER agrees that upon being notified by SELLER of such requirement to curtail, BUYER shall curtail deliveries to its own customers proportionally to SELLER's actual curtailment of SELLER's load in the affected area. BUYER further agrees that if it fails to curtail service after such notice, SELLER may limit deliveries of capacity and energy to BUYER, including total interruption of the Full Requirements during such emergency. The Parties further agree that irrespective of the above requirement, if either Party's action or inaction results in a directive by the Reliability Coordinator to shed load, the other Party will not be required to curtail deliveries to its customers unless directed to do so by the Reliability Coordinator.

## ARTICLE V

### METERING

#### 5.1 Meter Reading

The Parties shall cause meters to be read monthly at times agreed upon.

#### 5.2 Meters, Associated Transformers, and Telemetry Facilities

SELLER shall maintain at its own expense the meters and metering equipment required by SELLER at the Point of Delivery and telemetry facilities at the Point of Delivery. SELLER's records of data collected from such meters shall be available at all reasonable times, upon notice, to the duly authorized representatives of BUYER. To the extent not already in place, SELLER shall install and maintain, at SELLER's expense, metering and recording equipment to ensure accurate billing and/or monitoring of energy delivered to BUYER.

#### 5.3 Meter Tests

Each meter used hereunder at the Point of Delivery shall be tested and calibrated by SELLER annually and at such other times as mutually agreed to by the Parties. If a meter is not registering accurately, it shall be restored to an accurate condition or replaced with an accurate meter.

#### 5.4 Meter Accuracy

SELLER and BUYER each shall have the right to request that a special test of metering equipment be made at any time. If any test made at a Party's request discloses that the metering equipment tested is registering within one percent (+ or - 1%) accuracy, the requesting Party shall bear the expense thereof. The expense of all other such tests shall be borne by SELLER.

#### 5.5 Meter Adjustments

The results of all meter tests and calibrations shall be available for examination by BUYER. Any meter tested and found to be within plus or minus one percent (+ or - 1%) accuracy shall be considered to be accurate. If, as a result of any test, any meter is found not to register *within plus or minus one percent (+ or - 1%) accuracy*, the readings of such meter previously taken shall be corrected according to the percentage of inaccuracy so found, but no such correction shall extend beyond the date such meter was last tested or six (6) months, whichever is shorter. If any metering equipment fails to register or if the accuracy of the metering equipment cannot reasonably be determined, the capacity and energy delivered shall be determined by mutual agreement of BUYER and SELLER.

### ARTICLE VI

#### BILLINGS AND PAYMENTS

##### 6.1 Compensation

SELLER shall invoice BUYER monthly. The monthly charges payable by BUYER shall be determined in accordance with the rates and charges contained in Exhibit A, subject to all other terms and conditions contained in this Agreement.

##### 6.2 Payment by BUYER to SELLER

BUYER shall make payment to SELLER for the monthly charges billed under this Agreement so that collected funds are available to SELLER within twenty (20) days from the date of the invoice. Payments shall be made to SELLER by wire transfer to the account of Cleco Power LLC as specified in writing by SELLER from time to time or, upon prior notice by BUYER, by check made payable to Cleco Power LLC and drawn upon an account with sufficient readily available funds.

Either Party may, in good faith, dispute the correctness of any invoice or adjusted invoice rendered under this Agreement within twelve (12) months from the date of the invoice or adjusted invoice.

If such Party, in good faith, disputes any part of any statement prior to the due date for payment, the disputing Party shall provide a written explanation of the basis for the dispute and pay the undisputed portion of such statement no later than the due date. Payment of the disputed amount shall not be required until the dispute is resolved. If any amount disputed in good faith is determined to be due, it shall be paid within two (2) Business Days of such

determination, together with interest at the Interest Rate from the original due date until the date paid. Any amount that should be refunded by SELLER to BUYER shall include interest from the date the overpayment was made through the date refunded to BUYER.

Any dispute with respect to an invoice is waived unless the other Party is notified in accordance with this Section 6.2 within twelve (12) months after the invoice is rendered or any specific adjustment to the invoice is made.

Unpaid amounts that are not the subject of a billing dispute and are not paid by the due date for payment shall be subject to interest at the Interest Rate.

### 6.3 Taxes

Except as specified in section 6.4 of this Agreement, SELLER shall be obligated to pay all present and future taxes, fees, and levies that may be assessed by any Governmental Authority upon the purchase or sale of the Full Requirements to BUYER covered by this Agreement for which the taxable incident occurs prior to the Point of Delivery. BUYER shall be obligated to pay all present and future taxes, fees, and levies that may be assessed by any Governmental Authority upon the purchase or sale of electricity to BUYER covered by this Agreement for which the taxable incident occurs at or after the Point of Delivery. If BUYER is required by law to remit such taxes to the applicable Government Authority on behalf of SELLER, BUYER shall remit the payment as appropriate and deduct the amount paid on SELLER's behalf from payments due to SELLER under this Agreement. If SELLER is required by law to remit such taxes to the applicable government authority on behalf of BUYER, SELLER shall remit the payment as appropriate and add the amount paid on BUYER's behalf to payments due from BUYER under this Agreement.

### 6.4 Environmental Regulations

BUYER and SELLER agree that the rates contained in this Agreement in Exhibit A make no provision for the potential effects of new environmental control laws, regulations, or taxes or the additional costs of providing electric service to BUYER resulting from any such laws, regulations, or taxes and any costs associated with emissions allowances, credits, offsets, cap-and-trade programs, or other similar costs with respect to SELLER's generation or purchase of energy for service under this Agreement, provided that in no case shall BUYER be responsible for penalties, fines, or any form of punitive payment assessed against SELLER in connection with complying with any environmental law or regulation, or taxes. BUYER shall pay an allocated share of costs resulting from such new laws, regulations, or taxes enacted or imposed after the Effective Date. A new law is defined as any federal, state or local law enacted after the date of execution of this Agreement by the Parties. BUYER's allocated share of such costs shall be calculated in accordance with the formula or other method approved by the Louisiana Public Service Commission for recovery by SELLER of such costs from SELLER's retail customers, provided that such allocation is non-discriminatory as between wholesale and retail customers. No emission allowances or emission credits, including but not limited to allowances or credits relating to the Clean Air Act Amendments of 1990, or otherwise, shall accrue to BUYER as a result of purchases or sales of capacity and energy from SELLER under this Agreement.

## ARTICLE VII

### ADDITIONAL PROVISIONS

## 7.1 Planning

In order to keep SELLER advised of BUYER's future requirements so that SELLER may make provisions for such requirements in its long-range system plans, the Parties shall meet annually prior to June 1 of every year. At such meeting, BUYER shall cooperate with SELLER in its system planning and shall advise SELLER of its anticipated load requirements and BUYER Resources for each of the remaining years of the term of this Agreement. BUYER shall advise SELLER in writing of any material change in BUYER's anticipated load and BUYER Resources by May 15 of each year. BUYER shall also advise SELLER immediately in writing of any anticipated increase or decrease (greater than 5 MW for a single customer load) in BUYER's load. Nothing herein shall alter any rights or obligations BUYER may have pursuant to the requirements of the Cleco OATT with respect to transmission system planning. To the extent that the SELLER is aware of material changes in the Cleco system that may result in costs being allocated to BUYER, including, but not limited to, the costs of transmission upgrades, compliance costs that may be assessed to Cleco, requirements with cost implications imposed by the grid operator or a governmental authority, or any other pass-through of costs permitted under this Agreement, SELLER shall inform BUYER.

## 7.2 Responsibility for Electricity

BUYER assumes all responsibility for electricity at and after the Point of Delivery, and SELLER assumes all responsibility for electricity before the Point of Delivery. It is understood and agreed that neither SELLER nor BUYER assume any responsibility with respect to the construction, installation, insulation, maintenance or operation of the systems of the other or any part thereof and neither SELLER nor BUYER shall, in any event, be liable for damage or injury to any person or property whatsoever arising, accruing or resulting from, in any manner, the receipt, transmission, control, use, application or distribution by the other Party of said electricity. BUYER shall use Reasonable Diligence in maintaining its distribution facilities in proper and serviceable condition, and shall take reasonable steps and precautions for maintaining the services agreed to be performed and received under this Agreement.

## 7.3 Continuity of Service

SELLER shall use Reasonable Diligence and Good Utility Practices at all times to provide firm Full Requirements service but it does not guarantee uninterrupted service. In no event shall SELLER be liable to BUYER or third parties for loss or damage arising from failure, interruption or suspension of service. SELLER reserves the right to suspend service without liability on its part at such times and for such periods and in such manner as it may deem advisable when, in its opinion, the continuance of service to BUYER would endanger persons or property. Except for emergencies, SELLER shall use Reasonable Diligence to provide BUYER with reasonable notice prior to any suspension of service.

## 7.4 Right of Access

BUYER agrees to provide, obtain or assist SELLER to obtain all necessary authorizations to enable SELLER to have access to property to carry out this Agreement, including rights of access for SELLER's authorized agents or employees to the premises of BUYER at all reasonable times for the purpose of reading or checking meters, for inspecting, testing, repairing, renewing or exchanging any or all of SELLER's equipment, and for performing any other work incident to rendering the services covered by this Agreement. SELLER shall provide reasonable notice before entering BUYER's property or premises.

## 7.5 Hold Harmless Provisions

Each Party shall indemnify and hold harmless the other Party from and against any and all legal and other expenses, claims, costs, losses, suits or judgments for damages to any person or destruction of any property arising in any manner directly or indirectly by reason of the acts of such Party's authorized representatives while on the premises of the other Party under the right of access provided in Section 7.5 of this Agreement.

In no event shall either Party be liable to the other Party, or the other Party's employees, officers or customers, for any indirect, special, incidental, punitive, exemplary, or consequential damages (including, without limitation, liability based upon or damages for loss of profits) or any penalties, fines, assessment, or levies with respect to any claim arising out of this Agreement whether based on law, regulation, contract, tort (including the negligence or the sole negligence of a Party), or otherwise.

BUYER shall indemnify and hold SELLER harmless from and against any claims by or liability to BUYER's customers for consequential loss or damage arising out of any performance or failure to perform under this Agreement. SELLER shall indemnify and hold BUYER harmless from and against any claims by or liability to any SELLER customers for consequential loss or damage arising out of any performance or failure to perform under this Agreement.

## **ARTICLE VIII** **EVENTS OF DEFAULT AND REMEDIES**

### 8.1 Default Defined.

As used in this Article, "Event of Default" shall mean, in relation to a Party (the "Defaulting Party"):

- (a) A Defaulting Party fails to make any payment that is required hereunder to be made to the Non-Defaulting Party when due, and such failure continues for five (5) days after the Non-Defaulting Party gives written notice of such failure to the Defaulting Party;
- (b) Any material representation or warranty given by a Party hereunder is materially false or misleading and is not cured within thirty (30) days after the Party receives written notice thereof from the other Party (the "Non-Defaulting Party");
- (c) the Party fails to perform any of its material obligations hereunder, other than as provided in subsection 8.1(a), and such failure is not excused by Force Majeure and continues for thirty (30) days after the Party receives written notice from the Non-Defaulting Party of such failure; provided, however, with respect to a failure to cure any such obligation other than pursuant to Section 7.5, if a period in excess of thirty (30) days is required to cure such failure, the Defaulting Party shall have such additional amount of time, not to exceed 180 days, as may be necessary to cure such failure provided that the Defaulting Party uses Reasonable Diligence to remedy such failure; or
- (d) the Party makes an assignment or general arrangement for the benefit of creditors, files a petition in, or otherwise commences any proceedings in, bankruptcy or under similar law, otherwise becomes bankrupt (however

evidenced) or is unable to pay its debts as they fall due.

## 8.2 Remedies for Default.

Upon an Event of Default, the Non-Defaulting Party, subject to the provisions of Article IX, may resort to all remedies available at law or in equity, including, without limitation, (i) the termination of service upon receipt of any necessary regulatory approvals, (ii) specific enforcement of the provisions of this Agreement and (iii) the recovery of actual damages except to the extent such damages are waived or limited. If it is necessary for a Party to institute legal proceedings to collect a delinquent bill or invoice, the Defaulting Party shall pay all amounts due and all expenses and costs of collection, including reasonable attorneys' fees, incurred by the Non-Defaulting Party. The payment of that portion of any bill which BUYER may be contesting shall not be construed as waiving BUYER's right to recover the contested portion.

## ARTICLE IX

### DISPUTE RESOLUTION

9.1 The Parties hereto agree (i) to attempt to resolve all disputes arising hereunder promptly, equitably and in a good faith manner, and (ii) to provide each other with reasonable access during normal business hours to any and all non-privileged records, information and data pertaining to any such dispute.

9.2 If any dispute arises hereunder, such dispute shall be referred by SELLER to a designated senior officer and by BUYER to the designated officer or Utilities Director for resolution upon five (5) Business Days' written notice from either Party. Any dispute involving a claim which is less than \$1.0 million that is not resolved within thirty (30) days or less after notice to the designated officer shall be submitted to binding arbitration in accordance with Section 9.3. Any dispute involving a claim of \$1.0 million or greater may be submitted to binding arbitration in accordance with Section 9.3.

9.3 Disputes shall be submitted to binding arbitration upon notice of a claim (the amount in dispute) given by either Party to the other, except to the extent the Parties are required by Law to resolve such dispute solely before any Governmental Authority, in which case the dispute shall be decided by such Governmental Authority to the extent required by law. Said notice shall include a precise statement of the dispute. Within fifteen (15) Business Days after receipt of such notice of claim, the other Party shall also submit a precise statement of the dispute and make any counter-claim. For disputes of \$1 million or less, the Parties shall agree on a single arbitrator to resolve the dispute. If the Parties are unable within thirty (30) days after the responding Party's statement of the dispute to agree upon an arbitrator, either Party may ask that an arbitrator shall be appointed by the Senior Judge (in service) of the United States District Court for the Western District of Louisiana, Alexandria Division. If such Senior Judge cannot or will not appoint the arbitrator, such arbitrator shall be selected in accordance with the American Arbitration Association Commercial Arbitration Rules. The arbitrator selected to act hereunder shall be qualified by education and experience to decide the particular controversy in dispute, and shall not have been previously employed by either Party nor have any direct or indirect interest in either Party or the subject matter of the arbitration, unless such conflict has been expressly acknowledged and waived in writing by both Parties. The arbitrator shall promptly request from each Party a written proposal with respect to the resolution of the dispute, each of which proposals must be limited to the resolution of the specific controversy in

question and consistent with the limitations on damages and other provisions hereof, and shall be submitted in confidence within fifteen (15) Business Days to the arbitrator and served on the other Party. Not later than thirty (30) days following the submission and service of proposals, the arbitrator shall select without modification the proposal that most fairly resolves the dispute. The written reasoned decision of the arbitrator shall be final and binding upon the Parties hereto and judgment may be entered thereon in any court of competent jurisdiction. It is agreed that (i) all aspects of the arbitration, and any award shall, to the extent permitted by law, be treated as confidential by the Parties and the arbitrator, and (ii) the award and judgment of the arbitrator shall have no binding or precedential effect with respect to any other controversy not before the arbitrator, whether or not similar to or related to the specific controversy decided by the arbitrator. The expenses of arbitration, including reasonable compensation to the arbitrator, shall be borne equally by the Parties hereto, except that each Party shall bear the compensation and expenses of its own counsel and employees.

9.4 Claims in excess of \$1 million shall be resolved by a three-person arbitration panel. Each party shall select a single arbitrator, and the two arbitrators chosen by the parties shall select the third arbitrator. If the two arbitrators chosen by the Parties do not select a third arbitrator within fifteen (15) Business Days of the date on which the second arbitrator is chosen, then the third arbitrator will be selected in accordance with the American Arbitration Association Commercial Arbitration Rules. Excepting the number of arbitrators, all the provisions of Section 9.3 shall apply to claims in excess of \$1 million.

## ARTICLE X

### GENERAL PROVISIONS

#### 10.1 Governing Law

The validity, interpretation, and performance of this Agreement and each of its provisions shall be governed by the laws of the State of Louisiana except when preempted by the Federal laws of the United States of America. Any dispute arising hereunder which is not otherwise subject to arbitration or required to be brought before a Governmental Authority (such as the Federal Energy Regulatory Commission) shall be heard in a court of competent jurisdiction in Louisiana.

#### 10.2 Notice

Any notice, request, demand, or statement, that may be given to or made upon a Party hereto by the other Party hereto under any of the provisions of this Agreement, shall be in writing unless it is specifically provided otherwise herein, and shall be treated as duly given or made on the day of receipt, if mailed by United States certified mail (postage prepaid, return receipt requested) and properly addressed to the Party to be noticed, or on the day of delivery if personally delivered, as follows:

If the notice is to SELLER:

Manager – Wholesale Energy Services  
Cleco Power LLC  
2030 Donahue Ferry Road  
Pineville, Louisiana 71360

With a copy to:

General Counsel

Cleco Corporation  
2030 Donahue Ferry Road  
Pineville, Louisiana 71360

If the notice is to BUYER: Mayor, City of Natchitoches  
City Hall  
P.O. Box 37  
700 Second Street  
Natchitoches, LA 71458-0037

With a copy to: Director of Utilities  
Natchitoches Power & Light  
1110 Power Plant Drive  
Natchitoches, LA 71457

The names, titles and addresses of either Party in this section may be changed by written notification to the other Party.

#### 10.3 Section Headings Not To Affect Meaning

The descriptive headings of the various articles and sections of this Agreement have been inserted for convenience of reference only and shall in no way modify or restrict any of the terms and provisions thereof.

#### 10.4 Term

This Agreement shall become effective on the Effective Date and shall be effective for five (5) years from the Effective Date; provided, however, that this Agreement shall continue in effect for succeeding five (5) year extensions, unless and until terminated by either Party by means of written notice to the other Party given no later than twenty-four (24) months prior to the expiration of the primary term or of any extension thereof.

#### 10.5 Counterparts

This Agreement may be executed simultaneously in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

#### 10.6 Amendments

This Agreement may only be amended by a writing signed by both Parties.

#### 10.7 Exhibits and Schedules

All Exhibits, attachments and schedules that are referred to in this Agreement are incorporated herein and are a part of the Agreement for all purposes.

#### 10.8 Severability

In the event any material term, covenant or condition of this Agreement, or any amendment hereto, or the application of any such term, covenant or condition shall be held invalid, illegal, or unenforceable as to any Party or circumstances by any court or regulatory authority having jurisdiction, SELLER and BUYER shall conduct good faith negotiations for the purpose of reaching a mutually acceptable written agreement to replace the deleted provision(s) with provision(s) that will most nearly accomplish the purpose and intent of the deleted provision(s); provided, however, that the validity or enforceability of the remaining provisions of this Agreement shall not be affected by the invalidity or unenforceability of any other provision of this Agreement, and any provision determined to be invalid or unenforceable shall be deemed severed from the remainder of the Agreement.

#### 10.9 Computation of Time

In computing any period of time prescribed or allowed by this Agreement (other than the beginning and ending dates of a billing month), the day of the act, event, or default from which the designated period of time begins to run shall not be included. The last day of the period so computed shall be included unless it is a Saturday, Sunday, or legal holiday, in which event the period shall run until the end of the next Business Day.

#### 10.10 Limitation

This Agreement is not intended to and shall not create rights of any character whatsoever in favor of any person, corporation, association, or entity other than the Parties to this Agreement, and the obligations herein assumed are solely for the use and benefit of the Parties to this Agreement, their successors in interest, or assigns. EXCEPT AS SET FORTH HEREIN, THERE IS NO WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, AND ANY AND ALL IMPLIED WARRANTIES ARE DISCLAIMED. THE PARTIES CONFIRM THAT THE EXPRESS REMEDIES AND MEASURES OF DAMAGES PROVIDED IN THIS AGREEMENT SATISFY THE ESSENTIAL PURPOSES HEREOF. FOR BREACH OF ANY PROVISION FOR WHICH AN EXPRESS REMEDY OR MEASURE OF DAMAGES IS PROVIDED, SUCH EXPRESS REMEDY OR MEASURE OF DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY, THE OBLIGOR'S LIABILITY SHALL BE LIMITED AS SET FORTH IN SUCH PROVISION AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. IF NO REMEDY OR MEASURE OF DAMAGES IS EXPRESSLY PROVIDED HEREIN, THE OBLIGOR'S LIABILITY SHALL BE LIMITED TO DIRECT ACTUAL DAMAGES ONLY. SUCH DIRECT ACTUAL DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. UNLESS EXPRESSLY HEREIN PROVIDED, NEITHER PARTY SHALL BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES, LOST PROFITS OR OTHER BUSINESS INTERRUPTION DAMAGES, BY STATUTE, IN TORT OR CONTRACT, UNDER ANY INDEMNITY PROVISION OR OTHERWISE. IT IS THE INTENT OF THE PARTIES THAT THE LIMITATIONS HEREIN IMPOSED ON REMEDIES AND THE MEASURE OF DAMAGES BE WITHOUT REGARD TO THE CAUSE OR CAUSES RELATED THERETO, INCLUDING THE NEGLIGENCE OF ANY PARTY, WHETHER SUCH NEGLIGENCE BE SOLE, JOINT OR CONCURRENT, OR ACTIVE OR PASSIVE.

#### 10.11 Waivers

A waiver by a Party of a default by the other Party shall not be deemed a waiver of any other or subsequent default.

#### 10.12 Changes in Rates, Charges, Terms, and Conditions

All rates, terms and conditions as specified in this Agreement shall remain in effect in accordance with their terms and shall not be subject to change through application by either Party to FERC pursuant to the provisions of Section 205 or 206 of the Federal Power Act.

Absent the agreement of all Parties, the standard of review for changes to any Section, Exhibit, Schedule or attachment in this Agreement proposed by a non-party, or FERC acting *sua sponte*, shall be the most stringent standard permitted by law. The standard of review for any dispute regarding application, interpretation, or operation of this Agreement adjudicated before FERC shall be the just and reasonable standard.

The Parties recognize and acknowledge that the rates set forth in this Agreement are based upon assets included in SELLER's retail rates, as allowed by the LPSC. If the conditions of this section are met, changes in the assets allowed by the LPSC in SELLER's retail base rates or riders (excluding the inclusion of the costs of construction for Rodemacher Unit 3) SELLER may change the Demand Charge set forth in Exhibit A.

In the event that SELLER changes the Demand Charge, SELLER shall, as a condition to the effectiveness of the change, provide to BUYER: (i) evidence, in the form of an LPSC order or other evidence satisfactory to BUYER, that specific assets of SELLER have been permitted to be and are included in SELLER's retail rates; (ii) a written statement identifying (A) the change in the Demand Charge and providing an explanation of the change in the Demand Charge and (B) the estimated change in the Monthly Fuel Charge, including a separate identification of the estimated change in the Wholesale Fuel Cost, calculated pursuant to Exhibit A-1, produced by the inclusion of the asset(s) proposed by SELLER to be included as part of the Demand Charge for each month that the change would be in effect; and (iii) the effective date of said changes and the period of time such changes would be in effect. SELLER shall be required to identify the additional assets included in its retail rate base (and resulting changes in retail base rates or riders as described above) and provide to BUYER a copy of supporting data for the changes in its retail base rates or riders and the changes to the Demand Charge and the Monthly Fuel Charge and Wholesale Fuel Cost Adjustment.

The notice of such rate changes and supporting materials and data provided for in this Section shall be provided by SELLER to BUYER at least one hundred eighty (180) days prior to the date on which the new Demand Charge is scheduled to take effect ("Notice of Demand Charge Change").

#### 10.13 Market-Based Rate

The Parties agree that SELLER's rates for electric capacity and energy contained in this Agreement are market-based rates pursuant to SELLER's FERC-approved market-based-rates-tariff authority.

#### 10.14 RTO Changes

Each Party covenants that, should an independent system operator or a regional transmission organization (collectively, "RTO") enact or implement any change in law, rule, regulation, tariff, or practice binding on either Party that materially and adversely affects such

Party's ability to perform its obligations hereunder, the Parties shall negotiate in good faith an amendment hereto or take other appropriate action the effect of which is to restore each Party, as closely as practicable, to its position prior to such change. If, within ninety (90) days, the Parties are unable to agree on such amendment or such other appropriate action, each Party will continue to perform its obligations hereunder to the maximum extent possible, taking all reasonable steps to mitigate the effect of such change on each other. With respect to any implementation or formation of an RTO, the Parties specifically agree: (i) the formation of any RTO does not affect the legality, enforceability, or binding nature of this Agreement; and (ii) the rights, responsibilities, and existing risk allocation as between the Parties hereunder prior to any RTO formation should be maintained to the extent feasible within the RTO structure.

#### 10.15 Regulatory Liability

BUYER agrees that SELLER does not, by virtue of the Agreement or any action taken pursuant to the Agreement, assume any regulatory liability on behalf of BUYER under any federal, state, or local regulatory laws, ordinances, rules, or regulations, including but not limited to liability for compliance with any reporting or disclosure obligations and compliance with any obligations with respect to BUYER'S reliability obligations.

#### 10.16 Successors and Assigns

This Agreement shall be binding upon and inure to the benefit of the successors and assigns of the Parties hereto, but neither Party shall assign its interest in the Agreement in whole or in part without the prior written consent of the other Party.

#### 10.17 Rounding

Whenever the provisions of this Agreement require the use of kilowatts or kilowatt hours, the actual kilowatt or kilowatt-hour figure involved shall be adjusted by rounding upward to the next whole kilowatt or kilowatt-hour if the actual figure is 0.5 kilowatt or kilowatt-hour, or higher; or downward to the last whole kilowatt or kilowatt-hour if the actual figure is less than 0.5 kilowatt or kilowatt-hour.

#### 10.18 Survivorship of Obligations

The expiration, termination or cancellation of this Agreement shall not discharge any Party from any obligation it owes to the other Party under this Agreement by reason of any transaction, loss, cost, damage, expense, or liability that shall occur or arise prior to or upon such termination. It is the intention of the Parties that any such obligation owed (whether the same shall be known or unknown as of the termination or cancellation of this Agreement) shall survive the termination or cancellation of this Agreement. The Parties also intend that the indemnification and limitation of liability provisions contained in Article VII hereof shall remain operative and in full force and effect, regardless of any termination or cancellation of this Agreement, except with respect to actions or events occurring or arising after such termination or cancellation is effective.

#### 10.19 Force Majeure

Neither Party shall be liable to the other Party for failure to perform its obligations under this Agreement when such failure is attributable solely to force majeure. Force majeure shall mean any cause beyond the reasonable control of either Party, including, without limitation,

flood, freeze, earthquake, hurricane, tornado, storm, fire, lightning, other acts of God, epidemic, war, acts of a public enemy, acts of terrorism, riot, civil disturbance or disobedience, strike, lockout, work stoppages, other industrial disturbance or dispute, labor or material shortage, sabotage, restraint by court order or other public authority, and action or non-action by, or failure or inability to obtain the necessary authorizations or approvals from, any Governmental Authority, which by the exercise of due diligence such Party could not reasonably have been expected to avoid and by exercise of due diligence it could not overcome. The Party claiming force majeure shall use Reasonable Diligence to restore power supply or other services provided hereunder. Nothing contained herein shall be construed so as to require the Parties to settle any strike, lockout, work stoppage or any industrial disturbance or dispute in which it may be involved, or to seek review of or take an appeal from any administrative or judicial action.

#### 10.20 Representations and Warranties

On the Effective Date, each Party represents and warrants to the other Party that:

- (i) it is duly organized, validly existing and in good standing under the laws of the jurisdiction of its formation;
- (ii) it has or will obtain prior to the commencement of the Term, all regulatory authorizations necessary for it to legally perform its obligations under this Agreement;
- (iii) the execution, delivery and performance of this Agreement is within its powers, has been duly authorized by all necessary action and does not violate any of the terms and conditions in its governing documents, any contracts to which it is a party or any law, rule, regulation, order or the like applicable to it;
- (iv) this Agreement constitutes its legally valid and binding obligation enforceable against it in accordance with its terms, subject to any equitable defenses;
- (v) it is not involved as a debtor in voluntary or involuntary bankruptcy proceedings under the United States Code, and there are no proceedings pending or being contemplated by it or, to its knowledge, threatened against it which would result in it being or becoming a debtor in voluntary or involuntary bankruptcy proceedings under the United States Code;
- (vi) there is no pending or, to its knowledge, threatened legal proceeding against it or any of its affiliates that could materially and adversely affect its ability to perform its obligations under this Agreement;
- (vii) no Event of Default with respect to it has occurred and is continuing, and no such event or circumstance would occur as a result of its entering into or performing its obligations under this Agreement;
- (viii) it is acting for its own account, has made its own independent decision to enter into this Agreement and as to whether this Agreement is appropriate or proper for it based upon its own judgment, is not relying upon the advice or recommendations of the other Party in so doing, and is capable of assessing the merits of and understanding, and understands and accepts, the terms, conditions and risks of this Agreement; and

(ix) it has entered into this Agreement in connection with the conduct of its business, and it has the capacity or ability to make or take delivery of all capacity, energy and services referred to herein to which it is a Party.

10.21 Title and Risk of Loss.

Title to and risk of loss related to the capacity and energy supplied by SELLER to BUYER under this Agreement shall transfer from SELLER to BUYER at the Point of Delivery. SELLER warrants that it will deliver to BUYER the Full Requirements free and clear of all liens, security interests, claims and encumbrances or any interest therein or thereto by any person arising prior to the Point of Delivery.

Title to and risk of loss related to the capacity and energy supplied by BUYER to SELLER under this Agreement shall transfer from BUYER to SELLER at the Point of Delivery.

10.22 Independent Parties

This is a contract between two utilities that are contracting independently with respect to the obligations to be performed under this Agreement. Unless it provides expressly to the contrary, no provision of this Agreement shall be construed as creating any agency or other special relationship between the Parties other than that of independent contracting parties.

10.23 Jointly Developed Agreement

For purposes of construction and interpretation of this Agreement, the Parties stipulate and agree that this Agreement and all of its provisions have been negotiated and drafted through the joint efforts of both Parties. Accordingly, neither this Agreement nor any of its provisions shall be construed against either Party.

10.24 Additional Documents

BUYER and SELLER each understand that other documents may need to be executed after closing this transaction and each Party agrees to use its best efforts to execute such documents as soon as practicable after becoming aware of such a requirement.

10.25 Certification Requests

If requested in writing by BUYER, SELLER shall promptly, but in no event more than thirty (30) days after such written request, provide BUYER or its designee with written certification that BUYER is not in default under this Agreement and that SELLER is not aware of any condition or event which, with the giving of notice or the passage of time may become an event of default for which BUYER may be responsible.

IN WITNESS WHEREOF, Cleco Power LLC and the City of Natchitoches, Louisiana have caused this Agreement to be executed in multiple copies in their names by their respective duly authorized officials as of the date and year first above written.

**CLECO POWER LLC**

By: Robert T. Spruill

Robert T. Spruill  
Manager – Wholesale Energy Services

ATTEST:

Handwritten signature

CITY OF NATCHITOCHE, LOUISIANA

By: Wayne Mc Cullen

ATTEST:

Handwritten signature

## EXHIBIT A

### MONTHLY CHARGES

The monthly invoice shall state the amount of each of the monthly charges and items described in A and B below, along with the total amount due for the month which shall be the additive total of the monthly charges listed under A, immediately below, less the items described in B, below:

A. Add:

1. Monthly Customer Charge, which shall be \$400.00.
2. Monthly Demand Charge, which shall be calculated monthly by multiplying the applicable Demand Charge by the Monthly Peak Demand. The Demand Charge shall be \$9.61 per kW at the Point of Delivery. The Monthly Peak Demand shall be calculated as the higher of: (i) the highest peak demand in kilowatts set in June, July, August, or September of the immediately preceding 11 months, or (ii) the highest peak demand in kilowatts in the current month, in both cases after deducting the amount of the SWPA Capacity allocation.
3. Monthly Energy Charge, which shall be calculated by multiplying (a) the amount of all energy (in kWh) delivered by SELLER for the Full Requirements (excluding the SWPA Energy) during the month by (b) \$0.009129 per kWh metered at the Point of Delivery.;
4. SWPA administrative charge of \$1500.00 per month;
5. Monthly Fuel Charge, which shall be the sum of (A) SELLER Energy and (2) Purchased Energy.

SELLER Energy shall be calculated by multiplying: (a) the total number of kilowatt hours, in each hour of Delivered Energy by (b) the Wholesale Fuel Cost Adjustment (Exhibit A-1)\_for the Billing Month.

"Delivered Energy" means the total number of kilowatt hours delivered by SELLER to the Point of Delivery for each hour of the month, and aggregated, less SWPA Energy and Specific Purchased Delivered Energy in each hour.

"Specific Purchased Delivered Energy" means the total number of kilowatt hours, if any, of electric energy purchases made by SELLER, that are allocated specifically to BUYER by SELLER for the month prior to the Billing Month.

"Purchased Energy" means the total amount, in dollars, of electric energy purchases made by SELLER, if any, that are allocated specifically to BUYER by SELLER for the month prior to the Billing Month.

The Wholesale Fuel Cost Adjustment shall be the Adjustment Factor as set forth and calculated in accordance with Exhibit A-1, attached hereto.

6. Any and all charges by Transmission Providers.

7. Any past due amounts.
8. Interest, at the Interest Rate, on any past due amounts.

## EXHIBIT A-1

### Fuel Adjustment Clause (Rider Schedule FA-W)

(1) **APPLICATION**

This adjustment clause is applicable to electric service furnished under all rate schedules incorporating the Fuel Adjustment Clause of Cleco Rate Schedule FERC No. 1.

(2) **FUEL COST ADJUSTMENT**

There shall be added to each monthly bill for service an adjustment per kilowatt-hour (kwh) based upon the cost of fuel used during the most recent calendar month for which actual costs are known. This adjustment per kwh, rounded to the nearest \$0.00001, will be determined as follows:

$$\text{Fuel Cost Adjustment (FCA)} = (F/E \times L) \pm S$$

**Where: F = fuel costs for the month** consisting of

- (1) the cost of fuel consumed in the Company's own plants and the Company's share of such fuels consumed in jointly owned or leased plants, plus
- (2) the delivered, energy cost of economy or emergency energy purchases plus
- (3) the delivered, energy cost of other energy purchases, less
- (4) the energy revenue from economy, wholesale sales, less
- (5) the energy revenue from firm, wholesale sales, less
- (6) net excluded costs under the Louisiana Public Service Commission generic order U-21497

**E = the system kWh requirements** consisting of

- (1) the Company's net generation, plus
- (2) inter-system purchases, less
- (3) inter-system sales.

**L = the average system loss factor** determined by dividing the system kwh requirements for the last 12 months by the system kwh sales for the same period. For service at the transmission level, the loss factor L will be based on average transmission system losses for the previous 12 months. For service at the primary distribution level, the loss factor L will be based on the most current approved loss study value.

**S = an adjustment per kwh** to correct for the variance in fuel expense and fuel recovery in previous periods. This value is determined by dividing the cumulative over-recovery or under-recovery of fuel costs by the system kwh sales for the last 12 months. Over-recovery adjustments are subtractive and under-recovery adjustments are additive.

## EXHIBIT A-2

### ANNUAL FACILITY CREDIT

On the first Business Day of May during each contract year, commencing May 1, 2010, SELLER shall pay BUYER in advance for the use of BUYER's System Facilities as follows:

Payment Date of May 1, 2010:      Actual Total kWh delivered Year 09-10 x \$0.0038

Payment Dates of May 1, 2011 through May 1, 2015:

(Estimated Total FY kWh \* \$0.0019) - ((Estimated Total FY kWh - Actual Total kWh) \* \$0.0019-  
))

Where:

"Actual Total kWh delivered" means the total kWh delivered to the Points of Delivery during the immediately preceding twelve (12) month period (April 1 through March 31), commencing with the period April 1, 2009 through March 31, 2010, and thereafter always being the year before the most current contract year.

"Estimated Total FY kWh delivered" means a best estimate of the total kWh expected to be delivered to the Points of Delivery during the current forward contract year, commencing April 1 and ending March 31.

Ms. Morrow noted that she has asked that companies be brought to her for review, but none were, so she has gotten in touch with several utility companies, and has two that she wants to bring before the Council. She advised that she spoke to NRG, a wholesale power generation company, maintaining a diverse portfolio of electricity generation facilities, with a wide range of geographies, field types of and dispatch capacities. She said she talked to the person there, and told him that she had been told that Natchitoches couldn't get any other companies, and the gentleman told her that they would be glad to service Natchitoches but nobody had really asked them if they are willing to come. She said she did deal with Constellation Energy Commodities Group from Ruston also, and they are willing to come to Natchitoches. She stated that she is not putting the load on Mr. Wimberly's shoulder, because she knows that he did bring in some people from Washington, D.C., but she thinks we just need to go out and bring in other companies. She stated that the Council is made up of five people, so when you send two people over to visit with the Utility Director, that's not five people. She concluded by saying that she is not in a position to vote for CLECO based on the knowledge she has received.

Mr. Bryan Wimberly, Director of Utilities, addressed the matter, advising that the document before the Council is the culmination of a two and half year search for energy for the City of Natchitoches. He said they did contact both companies that Ms. Morrow mentioned, and in addition to that, they did contact suppliers, such as the City of Lafayette, that had a history of supplying energy to us at one time, but it shaped up, after about a year of looking, that the only viable company to bring to this Council was CLECO for the purposes of being able to offer generation and being able to offer a dedicated transmission path to us. He noted that we got as many concessions in that contract as we could, with one being a continuation of our transmission grandfather position in the market where we are guaranteed first-class priority transmission and, in addition to this, we are able to maintain part of the capacity credits that we historically did receive on any of our contracts within the last 20 years.

Ms. Morrow stated that her dissatisfaction is with how the process was handled, so that's why she is bringing it up tonight and why she couldn't support CLECO. She said she wants the best, and if she can't have the best in front of her, she certainly doesn't want to go with a company that has been sued by this one, that one, and the other one. She said, as long as she's on this Council, she wants full inclusion for everybody.

Mr. Nielsen addressed Ms. Morrow's concerns, noting that Mr. Wimberly negotiated it down to a short-term contract, and in five years, when this comes up, he thinks we will be able to negotiate a lot better, and you will have more people at the table, trying to get to us because we are in the driver's seat.

Mr. Payne asked Mr. Wimberly what it would cost to get the power plant we have operational. Mr. Wimberly said the estimate they prepared earlier this year was going to be eight and one-half to nine million dollars of expenditure within the next five years. Mr. Payne asked if it would reduce the cost to the consumer if it was operational. Mr. Wimberly said it would increase the cost to the consumer. He added that we do not have sufficient generation capacity to meet Natchitoches' load, so we would still have to buy electricity out on the market. Mr. Payne asked how many megawatts it would generate if it was operational. Mr. Wimberly said, with the status of our current units, we would be somewhere in the 38 to 40 megawatt range, if all of our steam could be operational. Mr. Payne asked how much we purchase. Mr. Wimberly responded that we have a peak load of 65 megawatts, and our average load, that we never turn down below, is approximately 35 to 38 megawatts. Mr. Payne then asked if peak demand cost affects residential customers. Mr. Wimberly said, yes, we pay a 12-month ratchet which is simply that we set a maximum demand and we pay for that demand for the next 12 months, or until the next highest peak is set. He said demand is simply, in plain terms, standby, and we are paying whatever company we are buying from for their ability to be able to furnish that maximum load to us whenever we demand it. Mr. Payne asked how we determine the accuracy of a meter. Mr. Wimberly said we have a double metering situation where we have our own meter, and CLECO has their own meter, and we compare the readings on both meters every month. Mr. Payne asked what the percentage range is, plus or minus. Mr. Wimberly responded that both of them are electronic meters and they're dead on.

Ms. Morrow closed by saying that she has gone through the contract with CLECO several times, and highlighted the fuel adjustment. She noted that there is an individual in the City whose light bill at this time is \$3,000.00, and when a utility bill is \$3,000.00, we have a problem. She commented that the fuel adjustment rate is so expensive, and the reason she fights so hard is because she's concerned about the people of Natchitoches.

Mr. Tommy Ward then addressed the meeting, saying he has read the City's Home Rule Charter, and we are supposed to have a Utility Commission, and we don't have one. He noted that we have a commission for Planning and Zoning, we have a commission for the Historic District, and several other commissions, but we don't have one for utilities. He stated that that is a violation against our Home Rule Charter. He then asked Mr. Wimberly if he had a degree in his department because the Home Rule Charter says that all department heads are supposed to have a four-year degree. He said he's just asking this question because somehow, our government has drifted from the Home Rule Charter. He said the Council is not listening to the citizens of Natchitoches, or they would not be voting on CLECO here tonight. He said many people have given up on government because government has turned a deaf ear. Mr. Ward said the citizens should be allowed to vote on this to decide if they want CLECO or not.

Ordinances continued, as follows:

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

**ORDINANCE NO. 011 OF 2010**

**AN ORDINANCE APPROVING AN OPTION AGREEMENT, ACT OF TRANSFER AND COMPROMISE AGREEMENT WITH 300 MILE INVESTMENTS, LTD, STARKS CONSTRUCTION, INC., HOTEL ST. DENIS, L.L.C., SABINE STATE BANK, FAIR PROPERTIES, L.L.C. AND KEVJAN PROPERTIES, L.L.C., SETTING THE TERMS AND CONDITIONS OF SAID OPTION AGREEMENT, ACT OF TRANSFER AND COMPROMISE AGREEMENT AND AUTHORIZING THE EXECUTION OF THE OPTION AGREEMENT, ACT OF TRANSFER AND COMPROMISE AGREEMENT BY THE MAYOR, WAYNE MCCULLEN, AFTER DUE COMPLIANCE WITH THE LAW, AND FURTHER PROVIDING FOR ADVERTISING AND A SAVINGS CLAUSE.**

**WHEREAS** the City of Natchitoches is the Plaintiff in that certain lawsuit entitled “City of Natchitoches versus Starks Construction, Inc., Hotel St. Denis, L.L.C., Sabine State Bank, 300 Mile Investments, LTD., Fair Properties, L.L.C. and Kevjan Properties, L.L.C.”, Number C-82,536, Section B on the Docket of the 10<sup>th</sup> Judicial District Court for the Parish of Natchitoches; and

**WHEREAS FURTHER**, after issuing a request for proposals for the development of a hotel on certain property (located South of Lafayette Street, between Front Street and Second Street, described on the attached Exhibit “A” and sometimes hereinafter referred to as “Subject Property”) owned by the City of Natchitoches, the City selected the proposal of Starks Construction, Inc., and conveyed the Subject Property to Starks Construction, Inc., by deed recorded at Conveyance Book 602, Page 68; and

**WHEREAS FURTHER**, the Subject Property was conveyed to Starks Construction, Inc., for the sum and price of One Million Two Hundred Thousand and 00/100 (\$1,200,000.00) Dollars, and the deed included certain restrictions and an option in favor of the City of Natchitoches; and

**WHEREAS FURTHER**, a portion of the Subject Property was developed by Hotel St. Denis, L.L.C., a successor in title to Starks Construction, Inc., as commercial and residential condominiums, but no hotel was developed on the Subject Property; and

**WHEREAS FURTHER**, the condominium development is located on a portion of the Subject Property shown and depicted as "Lot B-2", on a plat of survey by Robert Lynn Davis, dated February 9, 2010, which said survey is attached to an appraisal by Mike Bordelon (sometimes hereinafter Davis Survey), and the remainder of the property is shown and depicted as "Lot A-1A" on the Davis Survey; and

**WHEREAS FURTHER**, to settle the differences between the parties and resolve the civil lawsuit, the parties have agreed that, subject to the approval of the Natchitoches City Council, the lot shown and depicted as "Lot A-1A" on the Davis Survey will be reconveyed to the City of Natchitoches by warranty deed for the sum and price of Two Hundred Twenty-Five Thousand and no/100 (\$225,000.00) Dollars, and all parties will dismiss all pending claims and cause the lawsuit to be dismissed; and

**WHEREAS FURTHER**, the City of Natchitoches received an appraisal of the property to be reconveyed, "Lot A-1A", from Mike Bordelon, dated March 3, 2010, which reflects an appraised value of Four Hundred Twenty-Seven Thousand Seven Hundred Twenty-Two and no/100 (\$427,722.00) Dollars; and

**WHEREAS FURTHER**, the City Council has reviewed the issues involved in the lawsuit and the settlement proposal, and has concluded that the settlement of the civil lawsuit is in the best interest of the City and its citizens.

**NOW THEREFORE BE IT ORDAINED** that the City Council of the City of Natchitoches, Louisiana, is of the opinion that it is in the best interest of the City of Natchitoches and its citizens to approve and accept the settlement of the claims of the various parties as set forth and made in that suit entitled "City of Natchitoches versus Starks Construction, Inc., Hotel St. Denis, L.L.C., Sabine State Bank, 300 Mile Investments, LTD., Fair Properties, L.L.C. and Kevjan Properties, L.L.C.", Number C-82,536, Section B on the Docket of the 10<sup>th</sup> Judicial District Court for the Parish of Natchitoches, and that the settlement is hereby approved and more particularly under the following terms and conditions:

- (1) The settling defendants shall include Starks Construction, Inc., Hotel St. Denis, L.L.C., Sabine State Bank, 300 Mile Investments, LTD., Fair Properties, L.L.C. and Kevjan Properties, L.L.C. and any and all other individuals or entities who may have acquired any property right or interest in Lot A-1A".

- (2) The settling defendants will reconvey to the City of Natchitoches "Lot A-1A" by warranty deed for the sum and price of Two Hundred Twenty-Five Thousand and No/100 (\$225,000.00) Dollars, which transaction shall occur within forty-five (45) days of the execution of the settlement documents.
- (3) The settlement document will be executed on March 24, 2010.
- (4) All parties will release all of their claims and various causes of action as against each other.
- (5) All parties will bear their own portion of the costs of litigation.

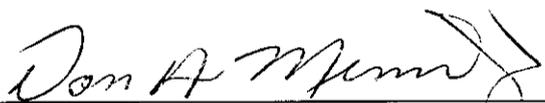
**BE IT FURTHER ORDAINED** that Wayne McCullen, Mayor of the City of Natchitoches, be and he is hereby authorized to represent the City and to sign all documents, papers, or other instruments which are necessary to properly conclude this civil litigation as to the settling defendant referred to above, including but not limited to Act of Compromise, Settlement and Release, and he is further authorized to execute an Act of Transfer on behalf of the City of Natchitoches and pay the cash consideration of Two Hundred Twenty-Five Thousand and No/100 (\$225,000.00) Dollars for the reconveyance to the City of Natchitoches.

Said Ordinance having been introduced on the 8<sup>th</sup> day of March, 2010, notice of public hearing having been held, the title having been read and the Ordinance considered, on motion by Councilman Larry Payne, and seconded by Councilman Don Mims to adopt the Ordinance, a record vote was taken and the following result was had:

**YEAS: Payne, Mims, McCain, Morrow, Nielsen**  
**NAYS: None**  
**ABSENT: None**  
**ABSTAIN: None**

**THEREUPON**, the Mayor declared the Ordinance **PASSED** this 22<sup>nd</sup> day of March, 2010 by a vote of 5 ayes to 0 nays.

  
WAYNE McCULLEN, MAYOR

  
DON MIMS, COUNCILMAN AT LARGE

Delivered to the Mayor on the 23<sup>rd</sup> day of March, 2010 at 10:00 A.M.



**COPY**

**ACT OF COMPROMISE, SETTLEMENT AND RELEASE**

BEFORE THE RESPECTIVE UNDERSIGNED NOTARIES PUBLIC, on the dates shown and in the presence of the undersigned competent witnesses, came and appeared:

**Hotel St. Denis, L.L.C.** (Charter/Organization ID: 36193097K, "the LLC"), a Louisiana limited liability partnership, with its principal place of business in Natchitoches, LA and having a mailing address and domicile of 714 Third Street, Natchitoches, LA 71457, herein represented by Kenneth E. Starks, the duly authorized agent of K & L Developers, L.L.C., 118 Reba Street, Natchitoches, LA 71457, its managing member;

**Starks Construction, Inc.** (Charter/Organization ID:34574179D, "the Corporation"), a Louisiana corporation, with its principal place of business in and having a mailing address and domicile of 118 Reba St., Natchitoches, LA 71457, herein represented by Kenneth E. Starks, its President;

**Kenneth E. Starks**, a domiciliary and resident of Natchitoches, LA, having a mailing address and domicile of 118 Reba St., Natchitoches, LA 71457, and individually and as one of the two directors and shareholders of Starks Construction, Inc.;

**Barbara Jan Griffin Starks**, a domiciliary and resident of Natchitoches, LA, having a mailing address and domicile of 118 Reba St., Natchitoches, LA 71457, individually and as one of the two directors and shareholders of Starks Construction, Inc.;

**Sabine State Bank** ("the Bank"), a Louisiana banking organization, having its principal place of business and mailing address of 297 Elizabeth Street, Many, LA, herein represented by Lee McCann, its President;

**300 Mile Investments, LTD** ("the LTD"), a Texas general partnership (Charter/Organization ID: 36689142L), having a mailing address of 701 North First Street, No. 109, Lufkin, TX 75901 where it has its principal office, and having its principal business establishment in Louisiana at 714 Third street, Natchitoches, LA 71457, herein represented by Benjamin D. Winston, the Manager of its General Partner, Winbai Management, LLC, 273 Winston 8 Ranch Road, Lufkin, TX 75904;

**Fair Properties, L.L.C.**, (Charter/Organization ID: 35806971 K, "Fair Properties"), a Louisiana limited liability partnership, with its principal place of business in Natchitoches, LA and having a mailing address and domicile of 714 Third Street, Natchitoches, LA 71457, herein represented by James Rex Fair, Jr., its managing member; and

**Kevjan Properties, L.L.C.** (Charter/Organization ID: 36880926 K , "Kevjan"), a Louisiana limited liability partnership, with its principal place of business in Natchitoches, LA and having a mailing address and domicile of 714 Third Street, Natchitoches, LA 71457, herein represented by Janice Bolton, its managing member; and

**City of Natchitoches** ("the City"), a municipality of the State of Louisiana, herein represented by its Mayor, the Honorable Wayne McCullen, as authorized by Ordinance No. 11, 2010;

who, after being duly sworn, declared that they make this compromise, settlement and release as follows:

## **1. DEFINITIONS**

The following terms shall have the meanings set forth herein, whether capitalized or not and whether singular or plural:

**"Act of Transfer"** shall mean that certain Act of Transfer by and between the LTD and the City in substantially the same form as that attached hereto as Exhibit "A" and to be recorded in the public records of Natchitoches Parish, LA.

**"Agent(s)"** shall mean any predecessor or successor in interest, subsidiaries, affiliates, insurers, agents, attorneys, employees, officers, shareholders, directors, partner, joint venturer, servant, and/or worker, whether past, present or future. The above listing is non-exclusive and is for illustrative purposes only.

**"Agreement"** shall mean this Act of Compromise, Settlement, and Release;

**"Bank's Mortgage"** shall mean that certain mortgage granted by the LLC in favor of the Bank, recorded as instrument #312182, Mort. Book 868, Pg. 64 of the public records of Natchitoches Parish, LA.

**"Bank's Partial Release"** shall mean the certain Partial Release executed by the Bank, recorded as Instrument #330980, Mortgage Book 919, Page 378, of the public records of Natchitoches Parish, LA, releasing the Bank's Mortgage insofar as it affects the Hotel Part.

**"Bank's UCC-1 Financing Statements"** shall mean that certain instrument #35-312185 granted by the LLC in favor of the Bank and that certain instrument #35-325291 granted by the LTD in favor of the Bank.

**"Claim(s)"** shall mean any demand for relief, whether characterized as remedial, restitutional, compensatory, ex-delicto, quasi-delicto, contractual, statutory, punitive in nature or origin, civil or

otherwise. "Claim(s)" shall include any demand for relief which arises under any ordinance, statute, law, or judicial or administrative lien, regulation, order, decision or otherwise. "Claim(s)" shall include any demand for relief, whether asserted or assertable formally or informally, offensively or defensively, which is based, in whole or in part, on potential and/or actual liability, whether or not the claim or the basis therefor is now known or disclosed by or to any person and whether or not formally presented in a suit or judicial pleadings. "Claim(s)" shall include any demand for relief, which is based, in whole or in part, on the facts alleged or which could have been alleged in the Suit, whether known or unknown, or foreseen or unforeseen.

"**Closing Date**" shall mean April 1, 2010, or such other date as the City and LTD may mutually agree.

"**Condo Unit Part**" shall mean that part of the Robert Lynn Davis' plat dated September 18, 2008 shown as Lot(s) B-2, recorded as instrument #321691, Map Slide 640A of the public records of Natchitoches Parish, L.A.

"**Dation**" shall mean the certain Partial Dation en Paiement and Act of Cancellation between the LLC and the LTD, recorded as Instrument #330714, Conveyance Book 638, Page 430, of the public records of Natchitoches Parish, LA.

"**Effective Date**" shall mean April 1, 2010.

"**Hotel Part**" shall mean the following described property:

A certain tract, lot or parcel of land being located and situated on Second and Lafayette Streets in the City of Natchitoches, Natchitoches Parish, Louisiana, being more particularly described as follows:

Commencing at a P.K. Nail found at the intersection of the Westernmost right-of-way of Front Street and the Southernmost right-of-way of Lafayette Street, in the City of Natchitoches, Natchitoches Parish, Louisiana, run North 82 degrees 27 minutes 50 seconds West along the Southernmost right-of-way of Lafayette Street a distance of 198.23 feet to an "X" found chiseled in concrete for the POINT OF BEGINNING of the herein described tract; thence run along a tangent curve concave to the left, having a radius of 12.95 feet, a Delta of 90 degrees 56 minutes 39 seconds, and a Length of 20.56 feet to an "X" found chiseled in concrete; thence run South 8 degrees 29 minutes 30 seconds West a distance of 160.86 feet to an "X" found chiseled in concrete; thence run North 80 degrees 56 minutes 53 seconds West a distance of 30.12 feet to a ½" iron rod found; thence run North 81 degrees 39 minutes 23 seconds West a distance of 140.49 feet to a point on the Easternmost right-of-way of Second Street and being

located at the Northwest corner of a cinder block retaining wall and at the Easternmost edge of a concrete sidewalk; thence run North 8 degrees 41 minutes 24 seconds East along the Easternmost right-of-way of Second Street a distance of 137.75 feet to a ½" iron rod found; thence along a tangent curve concave to the right at the Southeast intersection of Second and Lafayette Street right-of-ways, having a Radius of 20.00 feet, a Delta of 90 degrees 56 minutes 11 seconds, and a Length of 31.74 feet to a ½" iron rod found; thence run South 82 degrees 14 minutes 42 seconds East along the Southernmost right-of-way of Lafayette Street a distance of 102.30 feet to a ½" iron rod found; thence continue along the Southernmost right-of-way of Lafayette Street North 88 degrees 36 minutes 42 seconds East a distance of 50.87 feet to an "X" found chiseled in concrete; thence continue along the Southernmost right-of-way of Lafayette Street South 82 degrees 27 minutes 50 seconds East a distance of 115.26 feet back to the POINT OF BEGINNING, being more fully shown as Lot A-1A on a plat of survey requested by James R. Fair, Jr., Attorney, by Robert Lynn Davis, P.L.S., dated February 9, 2010.

**"LLC Acquisition Deed"** shall mean that certain Cash Sale Deed between the Corporation and the LLC, recorded as instrument #292783, Conv. Book 602, Pg. 72 of the public records of Natchitoches Parish, LA.

**"LTD's Mortgage"** shall mean that certain mortgage granted by the LLC in favor of the LTD, recorded as instrument #312198, Mort. Book 868, Pg.159 of the public records of Natchitoches Parish, LA granted by the LLC in favor of the LTD.

**"LTD's Partial Release "** shall mean the certain Partial Release executed by the LTD, recorded as Instrument #330715, Mortgage Book 918, Page 765, of the public records of Natchitoches Parish, LA, releasing the LTD's Mortgage insofar as it affects the Hotel Part.

**"LTD's UCC-1 Financing Statement"** shall mean that certain instrument #35-324173 granted by the LLC in favor of the LTD.

**"Non-City Parties"** shall mean Hotel St. Denis, L.L.C., Starks Construction, Inc., Kenneth E. Starks, Barbara Jan Griffin Starks, Sabine State Bank, 300 Mile Investments, LTD, Fair Properties, L.L.C., and Kevjan Properties, L.L.C., collectively and/or individually.

**"Notice of Lis Pendens"** shall mean that certain document, recorded as instrument #325621, Mort. Book 905, Pg.172, and Conv. Book 633, Folio 323 of the public records of Natchitoches Parish, LA on July 14, 2009.

Cleco Power LLC

Exhibit B

Proforma Invoice

**Cleco Power LLC**

P O BOX 5000

Alexandria, LA 71360-5000

City of Natchitoches  
P. O. Box 37  
Natchitoches, LA 71458

FOR PERIOD:  
From:  
To:

5000699562001

METER NUMBER	READING	MULTI-PLIER	KILOWATTS (KW)
<b>ACTUAL DEMAND:</b>			
<b>DEMAND FOR BILLING:</b>			

METER NUMBER	READING		DIFFERENCE	MULTI-PLIER	KILOWATT HOURS (KWH)
	PRESENT	PREVIOUS			
<b>ENERGY:</b>					
<b>PRIMARY MTR:</b>					
<b>RKVAH:</b>					
	0	0	0	0	0
<b>MEASURED POWER FACTOR</b> 100%					

**DEMAND BILLING:**

Higher of 100% of Peak Summer Demand (September) or Actual Demand minus 27,000

\_\_\_\_\_ KW AT \$ 9.61 PER KW = \$ \_\_\_\_\_  
\$ \_\_\_\_\_

Natchitoches Network Transmission Service  
(Transmission Charges included in Demand Charge)

Network  
Disp. & Control Ancl.  
Volt/Var Ancl. Service

**TOTAL DEMAND BILLING**

**ENERGY BILLING:**

Total Load \_\_\_\_\_  
Less SWPA \_\_\_\_\_  
TOTAL ENERGY BILLED \_\_\_\_\_ \$ 1,500.00

**TOTAL ENERGY BILLING**

\$ 0.009129 PER KWH = \$ \_\_\_\_\_

SUBTOTAL

**CUSTOMER CHARGE**

ENERGY TRANSMISSION CHARGE \$ 400.00

TOTAL LOAD \_\_\_\_\_

LESS PURCHASED ENERGY \_\_\_\_\_ KWH

FUEL COST ADJ. \_\_\_\_\_ KWH AT \$ \_\_\_\_\_ PER KWH = \_\_\_\_\_  
\_\_\_\_\_ KWH AT \$ \_\_\_\_\_ PER KWH = \_\_\_\_\_

SUBTOTAL

\$

Issued by: \_\_\_\_\_  
Issued on: \_\_\_\_\_

Effective: \_\_\_\_\_

**"Original Acquisition Deed"** shall mean that certain Cash Sale Deed between the City and the Corporation, recorded as instrument #292781, Conv. Book 602, Pg. 68 of the public records of Natchitoches Parish, LA.

**"Parties"** shall mean those who are identified in the appearance clause above.

**"Relation(s)"** shall mean any factual, potential or legal relation, connection or association among or between the Parties to this Agreement and/or their Agents, including (but not limited to) any debtor/creditor, fiduciary, business, commercial, adversarial, and/or any other relation. This definition of "Relation(s)" is intended to be all-encompassing and non-restrictive, as the above described examples of a "Relation" are meant to be an illustrative listing.

**"Suit"** shall mean that certain pending civil action entitled "CITY OF NATCHITOCHESES VERSUS STARKS CONSTRUCTION, INC., HOTEL ST. DENIS, L.L.C., SABINE STATE BANK, 300 MILE INVESTMENTS, LTD, FAIR PROPERTIES, L.L.C., and KEVJAN PROPERTIES, L.L.C.," bearing suit number C-82536, Section B in the 10<sup>th</sup> Judicial District Court in Natchitoches Parish, Louisiana.

## **II. TERMS**

On account of their past Relations, certain disputes have arisen among the Parties to this Agreement, in large part but not exclusively set forth in the course of correspondence and other communications between and of the Parties to this Agreement and/or their Agents and as set forth in the Suit. Now, therefore, in order to carry out and consummate a plan of compromise, settlement and release and in consideration of the premises and the benefits received and to be received, and the mutual obligations incurred hereunder by each of them, the parties hereto have agreed, each with the other and among each other, that any and all Claims shall be settled, adjusted, waived, released and compromised on the terms and conditions hereinafter set forth, and in order to accomplish such purposes, the parties do hereby expressly agree as follows:

(A) In consideration of (1) the Non-City Parties entering into this Agreement, releasing all Claims against the City and its Agents (including without limitation but particularly Ronald E. Corkern, Jr., Tommy Murchison, Jr., Steve Crews and Roger Cunningham in whatever capacity whatsoever); (2) the City entering into this Agreement, releasing all Claims against the Non-City Parties and its Agents (including without limitation but particularly James Rex Fair, Jr., James Rex Fair, Jr. APLC and Latnie L. Brewton, IV in whatever capacity whatsoever); the Parties agree as follows:

- (1) On Thursday, April 1, 2010, 2 p.m., at the Offices of Taylor Townsend in Natchitoches, Louisiana (the "Closing"), the City and the LTD will sign the Act of Transfer whereby the Hotel Part is transferred to the City from the LTD; and

- (2) Contemporaneously with the execution of the Act of Transfer by both parties thereto:
- a. the City shall pay to LTD the \$225,000 as set forth in the Act of Transfer;
  - b. the City shall release the Condo Unit Part from the Original Acquisition Deed;
  - c. All Parties shall cause their respective counsel to execute and file a Joint Motion to Dismiss praying for a Judgment of Dismissal which dismisses the Suit with prejudice;
  - d. Bank, as Secured Party, shall release the Hotel Part as collateral in any and all Uniform Commercial Code filings in favor of Bank, including without limitation the Banks's UCC-1 Financing Statements;
  - e. LTD, as Secured Party, shall release the Hotel Part as collateral in any and all Uniform Commercial Code filings in favor of LTD, including without limitation the LTD's UCC-1 Financing Statement; and
  - f. The City, the Non-City Parties, Latnie L. Brewton, III and Jeanne J. Brewton shall execute and cause to be filed in the Natchitoches public record the Release of Restrictions and Option attached hereto as Exhibit "B" releasing the restrictions placed on the property sold and conveyed in the Original Acquisition Deed (including the Hotel Part), each waiving all rights (if any) they may have to enforce or obtain the benefits of the restrictions in the Original Acquisition Deed.
- (3) Upon dismissal of the Suit by the Court, the City shall cancel or cause to be cancelled the Notice of Lis Pendens.

The City shall use best efforts to secure a legal opinion on the title to the Hotel Part prior to Closing Date. If title is found to be merchantable prior to Closing Date, the Act of Transfer is to be executed at the Closing. In the event title is found to be defective prior to Closing Date, LTD will immediately do such work at LTD's cost as may be necessary to correct the defects, and will have a reasonable time, not to exceed 20 additional days, to perform this curative work. If title is not made acceptable within such 20 day period, the City may proceed, at the City's option, and at City's cost, to perform the necessary curative work, and will have a reasonable time, in which to do same, not to exceed 45 days from the Effective Date. If such curative work is not performed by either party, this Agreement is null and void.

(B) In consideration of the Non-City Parties' agreements set forth herein, and upon the satisfaction of all the terms and conditions set forth in paragraph II.(A) above, the City hereby unconditionally grants a complete release, waiver and discharge unto the Non-City Parties and their Agents (including without limitation but particularly James Rex Fair, Jr., James Rex Fair, Jr. APLC and Latnie L. Brewton, IV in whatever capacity whatsoever) as to (1) any and all Claims pertaining to, relating to or in connection with their Relations prior to the Closing Date and/or (2) any and all Claims and/or facts alleged (or which could have been alleged), in the Suit, whether known or unknown, or foreseen or unforeseen. This release, waiver and discharge of Claims includes any Claims partially or wholly arising out of, in connection with, or related to events, facts, occurrences, happenings and/or actions or transactions which did or may have occurred before the Closing Date of this Agreement. This release, waiver and discharge is to be given the broadest possible construction so as to effectuate the intent of the Parties, which is to forever lay to rest and set aside whatever differences with, and to release any and all Claim(s) that the City may have or might have had against the Non-City Parties and/or its Agents (including without limitation but particularly James Rex Fair, Jr., James Rex Fair, Jr. APLC and Latnie L. Brewton, IV in whatever capacity whatsoever) on or before the Closing Date of this Agreement relating in any way to their past Relations or the Suit. The City hereby agrees to and will dismiss any Claims made or which could have been made in the Suit with prejudice.

(C) In consideration of the City's agreements set forth herein, and upon the satisfaction of all the terms and conditions set forth in paragraph II.(A) above, the Non-City Parties, individually and collectively, hereby unconditionally grant a complete release, waiver and discharge unto the City and its Agents (including without limitation but particularly Ronald E. Corkern, Jr., Tommy Murchison, Jr., Steve Crews and Roger Cunningham in whatever capacity whatsoever) as to (1) any and all Claims pertaining to, relating to or in connection with their Relations prior to the Closing Date and/or (2) any and all Claims and/or facts alleged (or which could have been alleged), in the Suit, whether known or unknown, or foreseen or unforeseen. This release, waiver and discharge of Claims includes any Claims partially or wholly arising out of, in connection with, or related to events, facts, occurrences, happenings and/or actions or transactions which did or may have occurred before the Closing Date of this Agreement. This release, waiver and discharge is to be given the broadest possible construction so as to effectuate the intent of the Parties, which is to forever lay to rest and set aside whatever differences with, and to release any and all Claim(s) that the Non-City Parties may have or might have had against the City and/or its Agents (including without limitation but particularly Ronald E. Corkern, Jr., Tommy Murchison, Jr., Steve Crews and Roger Cunningham in whatever capacity whatsoever) on or before the Closing Date of this Agreement relating in any way to their past Relations or the Suit. The Non-City Parties hereby agree to and will dismiss any Claims made or which could have been made in the Suit with prejudice.

(D) It is expressly understood that this Agreement does not otherwise release, waive or compromise any contractual rights that the Bank and/or the LTD have or may have as to the Corporation, LLC, Kenneth E. Starks and/or Barbara Jan Griffin Starks, especially regarding the Bank's Mortgage, the Bank's UCC-1 Financing Statement, and the LTD's Mortgage and any

documents, agreements or writings attendant thereto, to the extent those rights were not released or cancelled by the Bank's Partial Release, the LTD's Partial Release, or the Dation.

(E) The Non-City Parties, individually and collectively, acknowledge that the restrictions placed on the property sold and conveyed in the Original Acquisition Deed (including the Hotel Part) run solely in favor of the City. In consideration of the City's agreements set forth herein, each Non-City Party waives all rights (if any) the Non-City Party may have to enforce the restrictions in the Original Acquisition Deed. In consideration of the Non-City Parties agreements set forth herein, the City waives all rights (if any) the City may have to enforce the restrictions in the Original Acquisition Deed.

(F) Notwithstanding anything herein to the contrary, the releases, waivers and discharges set forth in this Agreement do not apply, and are not applicable, to the obligations of the Parties set forth in this Agreement.

### **III. WARRANTIES AND REPRESENTATIONS**

(A) The Parties have had the opportunity to obtain and indeed have obtained legal counsel and assistance in negotiating and consummating this Agreement. Moreover, the Parties have reviewed and discussed this Agreement, as well as the other agreements executed or to be executed in connection herewith, with their attorneys, who have explained the meaning and significance of the language contained in this Agreement and such other agreements to their satisfaction.

(B) The Parties acknowledge their understanding that they are hereby releasing any and all Claims which they respectively might have against each other, whether or not any of such Claims are now known and that the execution of this Agreement will forever put to rest any Claim or dispute which might partially or wholly arise out of, be connected with, or relate to events, facts, occurrences, happenings and/or actions or transactions which did or may have occurred regarding or involving the parties and their Agents before the Closing Date of this Agreement.

(C) The Parties expressly warrant and represent that they have not sold, assigned, granted, mortgaged, pledged, or otherwise transferred or encumbered to any person (whether natural or juridical) any of the Claims which are the subject of this Agreement. Parties represent and warrant that no other person or entity has, or has had, any interest in the Claims, demands, obligations, or causes of action referred to in this Agreement, except as otherwise set forth herein; that they have the sole right and exclusive authority to execute this Agreement and receive the sums specified in it; and that they have not sold, assigned, transferred, conveyed or otherwise disposed of any of the claims, rights to claims, demands, obligations or causes of action referred to in this Agreement and they are still the bona fide owners thereof and have the right of effecting this Agreement.

#### IV. MISCELLANEOUS

(A) The entirety of the Parties' agreement is set forth in this writing and there are no verbal side-agreements and/or understandings other than those set forth herein. Neither party has relied upon any oral statement of or understanding with the other parties' Agent(s) or of any other person regarding the negotiation or consummation of this Agreement, other than as set forth herein. This Agreement specifically supersedes all prior agreements, conversations, and understandings relating to the subject matter hereof.

(B) This Agreement is to be governed by and construed under the laws of the State of Louisiana, and shall be binding upon and inure to the benefit of of the heirs, legal representatives, successors and assigns of the respective parties. Any litigation relating or pertaining to or which is the subject of this Agreement shall only be maintained in the courts of Louisiana located in Natchitoches Parish, to which all parties waive personal jurisdiction and consent to suit therein exclusively. This Agreement may be executed in identical counterparts, each of which shall be considered an original for all purposes.

(C) This Agreement is made, in part, to resolve doubtful and disputed claims and in no way is to be construed as an admission of fault or liability on the part of any party but merely as recognition that the risk of loss is inherent in any litigious context.

(D) Each of the Parties hereto expressly bind and obligate themselves and do hereby agree that they will, from time to time, and as often as required, execute and deliver such other and further written instruments as may be required to effectuate, carry out, and do and perform each and all of the obligations imposed upon them, or any of them, under the terms and provisions of this Agreement or the other instruments to be executed in connection herewith.

(E) Nothing in this Agreement shall be construed as a release of any claims by LTD, Fair Properties or Kevjan against the builders of the condominium units relating to redhibition and/or warranty actions under the Louisiana New Home Warranty Act.

(F) The Parties each acknowledge that the matter of attorneys' fees and costs has been resolved and that all attorneys' fees and costs arising from the actions of each Party's own counsel in connection with the claims, the litigation, this Agreement and the matter and documents referred to herein, and any related matters shall be borne by the respective Parties to this Agreement.

THUS READ, DONE AND SIGNED before me, Notary Public, in Natchitoches Parish, State of Louisiana, in the presence of the undersigned, competent witnesses, on this 1<sup>st</sup> day of April, 2010.

WITNESSES:

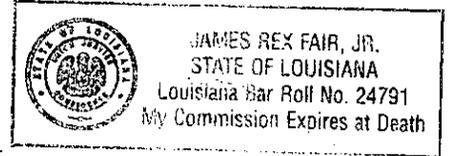
Brittany Fredieu  
Print name Brittany Fredieu

Sharon Carney  
Print name Sharon Carney

**HOTEL ST. DENIS, L.L.C.**  
("the LLC")

By: Kenneth E. Starks  
Print name: Kenneth E. Starks  
Manager of K & L Developers, L.L.C., the LLC's managing member

[Signature]  
Notary Public  
Natchitoches County/Parish, LA  
My commission expires: AT DEATH



THUS READ, DONE AND SIGNED before me, Notary Public, in Natchitoches Parish, State of Louisiana, in the presence of the undersigned, competent witnesses, on this 1<sup>st</sup> day of April, 2010.

WITNESSES:

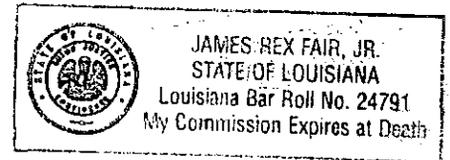
Brittany Fredieu  
Print name Brittany Fredieu

Sharon Carney  
Print name Sharon Carney

**STARKS CONSTRUCTION, INC.**  
("the Corporation")

By: Kenneth E. Starks  
Printed Name: Kenneth E. Starks  
Its President

[Signature]  
Notary Public  
County/Parish, \_\_\_\_\_  
My commission expires: \_\_\_\_\_



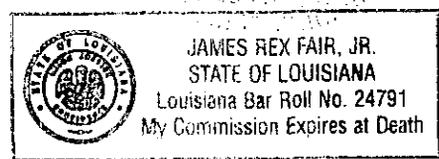
THUS READ, DONE AND SIGNED before me, Notary Public, in Watch Lake Parish, State of Louisiana, in the presence of the undersigned, competent witnesses, on this 1<sup>st</sup> day of Apr. 1, 2010.

WITNESSES:

Brittany Fredieu  
Print name Brittany Fredieu  
Sharon Carney  
Print name Sharon Carney

Kenneth E. Starks  
Kenneth E. Starks

[Signature]  
Notary Public  
County/Parish, \_\_\_\_\_  
My commission expires: \_\_\_\_\_



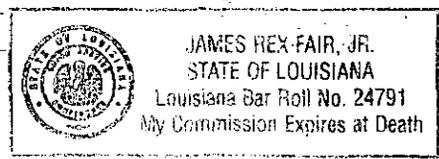
THUS READ, DONE AND SIGNED before me, Notary Public, in Watch Lake Parish, State of Louisiana, in the presence of the undersigned, competent witnesses, on this 1<sup>st</sup> day of Apr. 1, 2010.

WITNESSES:

Brittany Fredieu  
Print name Brittany Fredieu  
Sharon Carney  
Print name Sharon Carney

Barbara Jan Griffin Starks  
Barbara Jan Griffin Starks

[Signature]  
Notary Public  
County/Parish, \_\_\_\_\_  
My commission expires: \_\_\_\_\_



THUS READ, DONE AND SIGNED before me, Notary Public, in Natchitoches Parish, State of Louisiana, in the presence of two undersigned, competent witnesses, on this 1<sup>st</sup> day of Apr. 1, 2010.

WITNESSES:

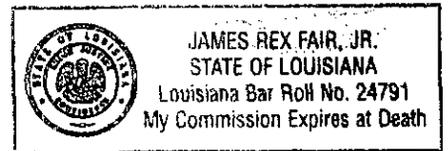
STATE BANK  
("the Bank")

Brittany Fredin  
Print name Brittany Fredin  
Sharon Carnay  
Print name Sharon Carnay

Lee McCann  
Print Name: Lee McCann  
President

[Signature]  
Notary Public

County \_\_\_\_\_ Parish, \_\_\_\_\_  
My commission expires on \_\_\_\_\_



County \_\_\_\_\_ Parish, State of Louisiana, in the presence of two undersigned, competent witnesses, on this 31 day of MARCH TEXAS, 2010.

WITNESSES:

WINBAI INVESTMENTS, LTD  
("the LTD")

Signature: General Partner, Winbai Management, LLC

Sara Richard  
Print name Sara Richard  
Jennifer Koon  
Print name Jennifer Koon

Benjamin D. Winston  
Print Name: Benjamin D. Winston  
General Partner of Winbai Management, LLC

[Signature]  
Notary Public

County \_\_\_\_\_ Parish, State of TEXAS  
My commission expires: 10/8/12



THUS READ, DONE AND SIGNED before me, Notary Public, in Natchitoches Parish, State of Louisiana, in the presence of the undersigned, competent witnesses, on this 1<sup>st</sup> day of April, 2010.

WITNESSES:

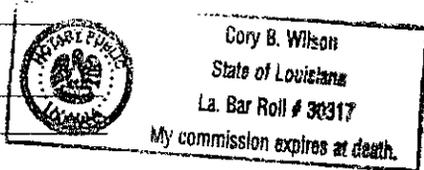
Brittany Fredien  
Print name Brittany Fredien  
Sharon Carney  
Print name Sharon Carney

**FAIR PROPERTIES, L.L.C.**  
("Fair Properties")

By: [Signature]  
Print name: James Rex Fair, Jr.  
Manager

[Signature]

Notary Public  
County/Parish, \_\_\_\_\_  
My commission expires: \_\_\_\_\_



THUS READ, DONE AND SIGNED before me, Notary Public, in Natchitoches Parish, State of Louisiana, in the presence of the undersigned, competent witnesses, on this 1<sup>st</sup> day of April, 2010.

WITNESSES:

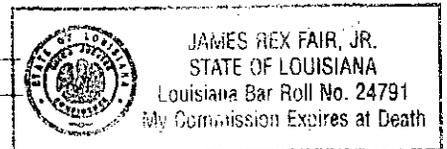
Brittany Fredien  
Print name Brittany Fredien  
Sharon Carney  
Print name Sharon Carney

**KEVJAN PROPERTIES, L.L.C.**  
("Kevjan")

By: Janice M. Bolton  
Print name: Janice Bolton  
Manager

[Signature]

Notary Public  
County/Parish, \_\_\_\_\_  
My commission expires: \_\_\_\_\_



THUS READ, DONE AND SIGNED before me, Notary Public, in Natchitoches Parish, State of Louisiana, in the presence of the undersigned, competent witnesses, on this 15<sup>th</sup> day of April, 2010.

WITNESSES:

[Signature]  
Print name

Ronda E. Locke  
Print name

**CITY OF NATCHITOCHEs**

("the City)

By: Wayne McCullen

Printed Name: Wayne McCullen

Its Mayor

[Signature]  
Notary Public  
County/Parish, \_\_\_\_\_

My commission expires: \_\_\_\_\_

**EXTRACT OF THE MINUTES OF THE MEETING  
OF THE BOARD OF DIRECTORS OF  
SABINE STATE BANK AND TRUST COMPANY**

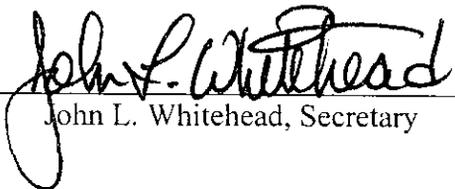
JANUARY 20, 2010

On motion made, seconded and unanimously carried the following general enabling resolution was adopted:

**BE IT RESOLVED** that James R. Cole, Jr., Chairman of Sabine State Bank and Trust Company, and Lee H. McCann is the Chief Executive Officer with general management of the corporation's business and is herewith vested with power to make contracts in the ordinary course of business; the Chairman of the Board, shall preside at all meetings of the directors and shareholders, the Chairman of the Board and Chief Executive Officer shall see that all orders and resolutions of the board, are carried into effect and direct the other officers in the performance of their duties: the Chairman and Chief Executive Officer, together with Donald M. Zick, Stanley R. Russell, Jeffery D. Austin, Paul Sklar, Eugene Dial, J. Stephen Waters, John D. Walker, John L. Whitehead, Brian McCann, Robert G. Gilbert, Gerard Moreau, or Dwayne Harper acting individually shall have the power to execute all authorized instruments on behalf of Sabine State Bank and Trust Company to include, but not limited to, subordination agreements, partial releases, affidavits, acts of correction and other instruments in writing, and shall generally perform all acts incident to the office to which they are assigned, or which are specifically authorized or required by law, or which are incumbent upon them under the provisions of the articles and by-laws.

CERTIFICATION

I, John L. Whitehead, Secretary of the Sabine State Bank and Trust Company do hereby certify that I am the keeper of records and minutes of the proceedings of this organization and that on January 20, 2010, there was held a meeting of the Board of Directors which was duly called and at which meeting a quorum was present, and at that meeting the above was duly and legally passed and said action has neither been rescinded nor modified in any manner. In witness whereof, I hereunto set my hand as Secretary of Sabine State Bank and Trust Company on this 31<sup>st</sup> day of March, 2010.

  
\_\_\_\_\_  
John L. Whitehead, Secretary

**STATE OF TEXAS**

**COUNTY OF ANGELINA**

**TRANSFER OF PROPERTY**

BE IT KNOWN that before the respective undersigned authorities, duly commissioned and qualified in and for their respective jurisdictions, and in the presence of the respective undersigned competent witnesses, came and appeared:

**300 MILE INVESTMENTS, LTD.**, a Texas Limited Partnership authorized to do business in the State of Louisiana, with a mailing address of 701 North First, No. 109, Lufkin, Texas 75901, represented herein by its General Partner, Win Bai Management, LLC, represented by its managing member, Benjamin D. Winston, (hereinafter referred to as the "LTD" or "Vendor");

who declared that it does by these presents GRANT, BARGAIN, SELL, CONVEY and DELIVER, with guarantee of title, and with complete transfer and subrogation of all rights and actions of warranty against all former proprietors of the property herein conveyed, together with all rights of prescription, whether acquisitive or liberative, to which said vendor may be entitled, unto:

**CITY OF NATCHITOCHEES, LOUISIANA**, a municipal corporation with a mailing address of Post Office Box 37, Natchitoches, Louisiana 71458-0037, represented herein by Mayor Wayne McCullen, duly authorized to act herein pursuant to Ordinance Number 11 of 2010, a copy of which is attached hereto, (hereinafter referred to as the "CITY" or "Vendee);

the following described immovable property (the "Property"), to-wit:

A certain tract, lot or parcel of land being located and situated on Second and Lafayette Streets in the City of Natchitoches, Natchitoches Parish, Louisiana, being more particularly described as follows:

Commencing at a P.K. Nail found at the intersection of the Westernmost right-of-way of Front Street and the Southernmost right-of-way of Lafayette Street, in the City of Natchitoches, Natchitoches Parish, Louisiana, run North 82 degrees 27 minutes 50 seconds West along the Southernmost right-of-way of Lafayette Street a distance of 198.23 feet to an "X" found chiseled in concrete for the POINT OF BEGINNING of the herein described tract; thence run along a tangent curve concave to the left, having a radius of 12.95 feet, a Delta of 90 degrees 56 minutes 39 seconds, and a Length of 20.56 feet to an "X" found chiseled in concrete; thence run South 8 degrees 29 minutes 30 seconds West a distance of 160.86 feet to an "X" found chiseled in concrete; thence run North 80 degrees 56 minutes 53 seconds West a distance of 30.12 feet to a ½" iron rod found; thence run North 81 degrees 39 minutes 23 seconds West a distance of 140.49 feet to a point on the Easternmost right-of-way of Second Street and being located at the Northwest corner of a cinder block retaining wall and at the Easternmost edge of a concrete sidewalk; thence run North 8 degrees 41 minutes 24 seconds East along the Easternmost right-of-way of Second Street a distance of 137.75 feet to a ½" iron rod found; thence along a tangent curve concave to the right at the Southeast intersection of Second and Lafayette Street right-of-ways, having a Radius of 20.00 feet, a Delta of 90 degrees 56 minutes 11 seconds, and a Length of 31.74 feet to a ½" iron rod found; thence run South 82 degrees 14 minutes 42 seconds East along the Southernmost right-of-way of Lafayette Street a distance of 102.30 feet to a ½" iron rod found; thence continue along the Southernmost right-of-way of Lafayette Street North 88 degrees 36 minutes 42 seconds East a distance of 50.87 feet to an "X" found chiseled in concrete; thence continue along the

Southernmost right-of-way of Lafayette Street South 82 degrees 27 minutes 50 seconds East a distance of 115.26 feet back to the POINT OF BEGINNING, being more fully shown as Lot A-1A on a plat of survey requested by James R. Fair, Jr., Attorney, by Robert Lynn Davis, P.L.S., dated February 9, 2010.

The Property conveyed herein is subject to a Deed Restriction as follows:

Prior to the commencement of construction of a hotel on the property (or a portion thereof), no other permanent building(s) shall be erected on the Property. This restriction is not intended to prohibit a developer from simultaneously building a hotel and other building(s) (commercial space, restaurant, etc.), and shall terminate upon the earlier of (i) the completion of construction of a hotel on the Property (or a portion thereof); (ii) March 31, 2017; or (iii) LTD filing in the public records of Natchitoches Parish, Louisiana notice that the restriction is terminated. The restriction is established solely in favor of LTD and is non-assignable and non-transferable.

TO HAVE AND TO HOLD the above described Property unto the Vendee, its successors and assigns, forever.

This sale is made for and in consideration of the sum of TWO HUNDRED TWENTY-FIVE THOUSAND AND NO/100 (\$225,000.00) DOLLARS, cash in hand paid, the sufficiency and receipt of which is acknowledged by Vendor, and of mutual covenants and conditions contained herein and in a certain Act of Compromise, Settlement and Release entered into by and between the parties and others. Vendor does hereby transfer, convey and deliver, all and singular, the Property, with full warranty of title and with substitution and subrogation to all rights and actions of warranty Vendor may have, unto Vendee.

It is understood and agreed that this sale is without any warranty, either express, implied or otherwise provided by law, with respect to the condition, quality, durability, or suitability of the Property or any of the components parts of the Property herein conveyed, Vendee acknowledges that the Property and its component parts are conveyed "as is" and the Vendee has completely relied upon their own inspection and evaluation of the Property and its component parts and, accordingly, they expressly waive and relinquish any right they have or may have to claim the avoidance of this sale or reduction of the purchase price on account of any vices or defects in the Property herein acquired by them or any of its component parts. The Vendee expressly waives and renounces all rights to any action in redhibition, either to rescind this sale or to request a reduction in the purchase price because of any vice or defect to any nature, whatsoever, in or with respect to the Property and its component parts, whether known or unknown, or apparent or non-apparent; furthermore, Vendee specifically acknowledges that these terms and conditions were considered by the Vendor and the Vendee in fixing the purchase price of the Property and in concluding this transaction. To the extent not heretofore provided, Vendee acknowledges that Vendor does not warrant the acreage of the Property

herein conveyed and waives any and all rights it may have, pursuant to Louisiana Civil Code Articles 2492, 2494 or 2497, for a reduction of the purchase price and/or to rescind this sale due to any discrepancy in the actual acreage conveyed herein.

Vendee, its successors and assigns, further waives and releases Vendor from any and all claims, demands, causes of action, liens, loss, damage, liabilities, costs and expenses (including reasonable attorneys' fees, court costs, consultants fees, remediation, clean up or other response costs) of any and every kind or character, known or unknown, fixed or contingent, suffered or incurred by purchaser, its successors or assigns, as a successor in interest to the seller, as owner of the Property, under the Resource Conservation and Recovery Act, 42 U.S.C.A. § § 6901 et seq.; the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C.A. § § 9607 et seq., as amended by the Superfund Amendment and Reauthorization Act of 1986, Pub. L. No. 99-499, 100 Stat. 1613 (codified as amended in various sections of 42 U.S.C.A. App. § § 93-633, 88); the Hazardous Materials Transportation Act, Pub. L. No. Stat. 2156 (codified as amended in various sections of 46 U.S.C.A.); the Clean Water Act, 33 U.S.C.A. § § 1251 et seq.; the Clean Air Act, 42 U.S.C.A. § § 7401 et seq.; the Toxic Substances Control Act, 15 U.S.C.A. § § 2601 et seq.; the Louisiana Environmental Quality Act, La Rev Stat Ann § § 30:2001 et seq.; or any other applicable federal, state or local laws, rules, ordinances, permits, approvals, orders or regulations as they now exist or may subsequently be modified, supplemented or amended, relating to the environment.

The certificate of mortgage is hereby waived by the parties, and evidence of the payment of *ad valorem* taxes through the year 2009 is produced. The Vendee will assume all *ad valorem* taxes for the year 2010.

**THUS DONE AND SIGNED** at Lufkin, Texas, in the presence of the undersigned competent witnesses, and me, Notary, on this \_\_\_\_ day of March, 2010.

**WITNESSES:**

**300 MILE INVESTMENTS, LTD.**  
**By: Win Bai Management, LLC**  
**Its: General Partner**

\_\_\_\_\_  
Printed Name:

By: \_\_\_\_\_

\_\_\_\_\_  
Printed Name:

Benjamin D. Winston  
Its: Managing Member

\_\_\_\_\_  
Notary Public

\_\_\_\_\_  
Notary Public Name/Bar Roll ID No.

STATE OF LOUISIANA

PARISH OF NATCHITOCHES

**THUS DONE AND SIGNED** at Natchitoches, Natchitoches Parish, Louisiana, in the presence of the undersigned competent witnesses, and me, Notary, on this 1<sup>st</sup> day of April, 2010.

**WITNESSES:**

**CITY OF NATCHITOCHES, LOUISIANA**

\_\_\_\_\_  
Printed Name:

By: \_\_\_\_\_  
Mayor Wayne McCullen

\_\_\_\_\_  
Printed Name:

\_\_\_\_\_  
Notary Public

\_\_\_\_\_  
Notary Public Printed Name

\_\_\_\_\_  
Notary Public/Bar Roll ID No.

RELEASE OF RESTRICTIONS AND OPTION

STATE OF LOUISIANA

PARISH OF NATCHITOCHE

BE IT KNOWN, that on the below-listed dates and before the below-listed undersigned Notaries Public, duly qualified in accordance with law, and before the below-listed undersigned competent witnesses, personally came and appeared:

**Hotel St. Denis, L.L.C.** (Charter/Organization ID: 36193097K, "the LLC"), a Louisiana limited liability partnership, with its principal place of business in Natchitoches, LA and having a mailing address and domicile of 714 Third Street, Natchitoches, LA 71457, herein represented by Kenneth E. Starks, the duly authorized agent of K & L Developers, L.L.C., 118 Reba Street, Natchitoches, LA 71457, its managing member;

**Starks Construction, Inc.** (Charter/Organization ID:34574179D, "the Corporation"), a Louisiana corporation, with its principal place of business in and having a mailing address and domicile of 118 Reba St., Natchitoches, LA 71457, herein represented by Kenneth E. Starks, its President;

**Kenneth E. Starks**, a domiciliary and resident of Natchitoches, LA, having a mailing address and domicile of 118 Reba St., Natchitoches, LA 71457, and individually and as one of the two directors and shareholders of Starks Construction, Inc.;

**Barbara Jan Griffin Starks**, a domiciliary and resident of Natchitoches, LA, having a mailing address and domicile of 118 Reba St., Natchitoches, LA 71457, individually and as one of the two directors and shareholders of Starks Construction, Inc.;

**Sabine State Bank** ("the Bank"), a Louisiana banking organization, having its principal place of business and mailing address of 297 Elizabeth Street, Many, LA, herein represented by Lee McCann, its President;

**300 Mile Investments, LTD** ("the LTD"), a Texas general partnership (Charter/Organization ID: 36689142L), having a mailing address of 701 North First Street, No. 109, Lufkin, TX 75901 where it has its principal office, and having its principal business establishment in Louisiana at 714 Third street, Natchitoches, LA 71457, herein represented by Benjamin D. Winston, the Manager of its General Partner, Winbai Management, LLC, 273 Winston 8 Ranch Road, Lufkin, TX 75904;

**Fair Properties, L.L.C.**, (Charter/Organization ID: 35806971 K, "Fair Properties"), a Louisiana limited liability partnership, with its principal place of business in Natchitoches, LA and having a mailing address and domicile of 714 Third Street, Natchitoches, LA 71457, herein represented by James Rex Fair, Jr., its managing member; and

**Kevjan Properties, L.L.C.** (Charter/Organization ID: 36880926 K, "Kevjan"), a Louisiana limited liability partnership, with its principal place of business in Natchitoches, LA and having a mailing address and domicile of 714 Third Street, Natchitoches, LA 71457, herein represented by Janice Bolton, its managing member; and

**City of Natchitoches** ("the City"), a municipality of the State of Louisiana, herein represented by its Mayor, the Honorable Wayne McCullen, as authorized by Ordinance No. 11, 2010;

**Latnie L. Brewton, III** a domiciliary and resident of Natchitoches, LA, having a mailing address and domicile of \_\_\_\_\_, Natchitoches, LA 71457; and

**Jeanne J. Brewton**, a domiciliary and resident of Natchitoches, LA, having a mailing address and domicile of \_\_\_\_\_, Natchitoches, LA 71457;

who, after being duly sworn, did depose and state that:

**WHEREAS**, in that certain Cash Sale Deed between the City and the Corporation, recorded as Instrument 292781, at Conveyance Book 602, Pg. 68 of the public records of Natchitoches Parish, Louisiana (the "Original Acquisition Deed"), the following restrictions (hereinafter, the "Restrictions") were placed on the four (4) contiguous tracts or parcels of ground sold therein (the "Property"):

- "1) There shall be no building or improvement on the subject property that exceeds seventy-five feet (75 feet) in height or exceeds a total of four (4) stories;
- 2) There shall be no more than one meeting room or conference room allowed on the property described above and that room shall be no larger than Twelve Hundred (1,200) square feet, and there shall be no other conference room or meeting room for rent or lease or open to the public for use; and
- 3) All construction must comply with Historic District and City of Natchitoches Planning and Zoning requirements, and is subject to final Historic District Commission approval, and City of Natchitoches Planning and Zoning Commission approval."

**WHEREAS**, in the Original Acquisition Deed, Corporation granted the City an option to purchase the property (the "Option"), as follows:

"And now comes and appears the VENDEE who does grant to the VENDOR, for no additional consideration, and subject to the conditions hereinafter set forth, the exclusive right, privilege, or option to purchase for the above described property.

The option to purchase shall become effective if a 100 room hotel is not completed according to specifications, as approved by the City of Natchitoches, within three years from the date of recordation of this deed. In the event the 100 room hotel is not completed to specifications, as approved by the City of Natchitoches, within three years from the date of recordation of this deed the City may repurchase the property at the original sales price (\$1,200,000.00) plus the market value of any improvements placed on the property by the VENDEE, or any successor. This option is assignable and shall remain in effect for three (3) years or until the 100 room hotel is completed according to specifications, as approved by the City of Natchitoches."

**WHEREAS**, all the parties hereto acknowledge and agree that the Restrictions and the Option were established in favor of the City and that the Restrictions can be removed or altered with the approval and consent of the City; and

**WHEREAS**, all the parties hereto declare that they desire to remove the Restrictions and the Option thereby releasing the Property from the Restrictions and the Option and terminating the Restrictions and the Option in their entirety, and that the Restrictions and the Option be of no further force and effect.

**NOW THEREFORE**, for good and valuable consideration, the sufficiency and receipt of which is hereby acknowledged, the parties hereto remove and terminate the Restrictions and the Option in their entirety burdening the Property. The parties hereby expressly forever waive, release, rescind and relinquish any and all rights which they have or may have to legally enforce, in any manner

whatsoever, by specific performance, injunction, damages or otherwise, the Restrictions and/or the Option, the same being of no further force and effect.

The parties further authorize, instruct and direct the Clerk of Court and Recorder of the Parish of Natchitoches, State of Louisiana, to make mention of this revocation by marginal notation on the Original Acquisition Deed being recorded in the official records of his office bearing Instrument Number 292781, at Conveyance Book 602, Page 68.

THUS DONE AND SIGNED in the presence of the undersigned competent witnesses, and me, Notary Public, on this \_\_\_\_ day of \_\_\_\_\_, 2010.

**WITNESSES:**

\_\_\_\_\_  
Signature

**HOTEL ST. DENIS, L.L.C.**

\_\_\_\_\_  
Printed Name

By: \_\_\_\_\_  
Print name: Kenneth E. Starks  
Manager of K & L Developers, L.L.C., the LLC's  
managing member

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Notary Public  
\_\_\_\_\_  
Printed Name  
\_\_\_\_\_  
Notary Public/Bar Roll ID No.

THUS DONE AND SIGNED in the presence of the undersigned competent witnesses, and me, Notary Public, on this \_\_\_\_ day of \_\_\_\_\_, 2010.

**WITNESSES:**

\_\_\_\_\_  
Signature

**STARKS CONSTRUCTION, INC.**

\_\_\_\_\_  
Printed Name

By: \_\_\_\_\_  
Print name: Kenneth E. Starks  
Its President

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Notary Public  
\_\_\_\_\_  
Printed Name  
\_\_\_\_\_  
Notary Public/Bar Roll ID No.

THUS DONE AND SIGNED in the presence of the undersigned competent witnesses, and  
me, Notary Public, on this \_\_\_\_ day of \_\_\_\_\_, 2010.

**WITNESSES:**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Kenneth E. Starks

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Notary Public

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Notary Public/Bar Roll ID No.

THUS DONE AND SIGNED in the presence of the undersigned competent witnesses, and  
me, Notary Public, on this \_\_\_\_ day of \_\_\_\_\_, 2010.

**WITNESSES:**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Barbara Jan Griffin Starks

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Notary Public

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Notary Public/Bar Roll ID No.

THUS DONE AND SIGNED in the presence of the undersigned competent witnesses, and  
me, Notary Public, on this \_\_\_\_ day of \_\_\_\_\_, 2010.

**WITNESSES:**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Printed Name

**SABINE STATE BANK**

By: \_\_\_\_\_  
Print name: Lee McCann  
Its President

\_\_\_\_\_  
Notary Public

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Notary Public/Bar Roll ID No.

THUS DONE AND SIGNED in the presence of the undersigned competent witnesses, and  
me, Notary Public, on this \_\_\_\_ day of \_\_\_\_\_, 2010.

**WITNESSES:**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Printed Name

**300 MILE INVESTMENTS, LTD**  
Through: General Partner, Winbai Management, LLC

By: \_\_\_\_\_  
Print name: Benjamin D. Winston  
Manager of Winbai Management, LLC

\_\_\_\_\_  
Notary Public

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Notary Public/Bar Roll ID No.

THUS DONE AND SIGNED in the presence of the undersigned competent witnesses, and  
me, Notary Public, on this \_\_\_\_ day of \_\_\_\_\_, 2010.

**WITNESSES:**

\_\_\_\_\_  
Signature

**FAIR PROPERTIES, L.L.C.**

\_\_\_\_\_  
Printed Name

By: \_\_\_\_\_  
Print name: James Rex Fair, Jr.  
Manager

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Notary Public

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Notary Public/Bar Roll ID No.

THUS DONE AND SIGNED in the presence of the undersigned competent witnesses, and  
me, Notary Public, on this \_\_\_\_ day of \_\_\_\_\_, 2010.

**WITNESSES:**

\_\_\_\_\_  
Signature

**KEVJAN PROPERTIES, L.L.C.**

\_\_\_\_\_  
Printed Name

By: \_\_\_\_\_  
Print name: Janice Bolton  
Manager

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Notary Public

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Notary Public/Bar Roll ID No.

THUS DONE AND SIGNED in the presence of the undersigned competent witnesses, and  
me, Notary Public, on this \_\_\_\_ day of \_\_\_\_\_, 2010.

**WITNESSES:**

\_\_\_\_\_  
Signature

**CITY OF NATCHITOCIES**

\_\_\_\_\_  
Printed Name

By: \_\_\_\_\_  
Print name: Wayne McCullen  
Its Mayor

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Notary Public

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Notary Public/Bar Roll ID No.

THUS DONE AND SIGNED in the presence of the undersigned competent witnesses, and  
me, Notary Public, on this \_\_\_\_ day of \_\_\_\_\_, 2010.

**WITNESSES:**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Latnie L. Brewton, III

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Notary Public

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Notary Public/Bar Roll ID No.

THUS DONE AND SIGNED in the presence of the undersigned competent witnesses, and  
me, Notary Public, on this \_\_\_\_ day of \_\_\_\_\_, 2010.

**WITNESSES:**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Jeanne J. Brewton

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Notary Public

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Notary Public/Bar Roll ID No.



COPY

ACT OF RELEASE OF NOTICE OF LIS PENDENS

STATE OF LOUISIANA

PARISH OF NATCHITOCHEs

BEFORE ME, the undersigned authority, personally came and appeared CITY OF NATCHITOCHEs (the "City"), a municipality of the State of Louisiana, represented herein by its Mayor, the Honorable Wayne McCullen, who being duly sworn, did depose and say that on July 14, 2009, the City recorded a Notice of Lis Pendens (the "Notice of Lis Pendens") affecting immovable property more particularly described therein, the Notice of Lis Pendens being recorded as Instrument No. 325621 in Mortgage Book 905, Page 172, and Conveyance Book 633, Page 323, of the Records of Natchitoches Parish, Louisiana. The City does hereby authorize, empower and direct the Recorder of Mortgages and Conveyances for the Parish of Natchitoches, Louisiana, to erase and cancel in full from the records of his office, the inscription of the Notice of Lis Pendens from recordation thereof under Instrument No. 325621, in Mortgage Book 905, Page 172, and Conveyance Book 633, Page 323.

Executed in Natchitoches, Louisiana, on April 1, 2010, in the presence of the undersigned Notary and witnesses.

WITNESSES:

CITY OF NATCHITOCHEs

[Signature]  
Signature

TAYLOR TOWNSEND  
Printed Name

By: Wayne McCullen  
Printed Name: Wayne McCullen  
Its: Mayor

[Signature]  
Signature

Ronald E. Corke, Jr  
Printed Name

[Signature]  
Notary Public

Gregory B. Vester  
Printed Name

Bar No. 17177  
Notary Public/Bar Roll ID No.



COPY

RELEASE OF RESTRICTIONS AND OPTION

STATE OF LOUISIANA

PARISH OF NATCHITOCHES

BE IT KNOWN, that on the below-listed dates and before the below-listed undersigned Notaries Public, duly qualified in accordance with law, and before the below-listed undersigned competent witnesses, personally came and appeared:

**Hotel St. Denis, L.L.C.** (Charter/Organization ID: 36193097K, "the LLC"), a Louisiana limited liability partnership, with its principal place of business in Natchitoches, LA and having a mailing address and domicile of 714 Third Street, Natchitoches, LA 71457, herein represented by Kenneth E. Starks, the duly authorized agent of K & L Developers, L.L.C., 118 Reba Street, Natchitoches, LA 71457, its managing member;

**Starks Construction, Inc.** (Charter/Organization ID:34574179D, "the Corporation"), a Louisiana corporation, with its principal place of business in and having a mailing address and domicile of 118 Reba St., Natchitoches, LA 71457, herein represented by Kenneth E. Starks, its President;

**Kenneth E. Starks**, a domiciliary and resident of Natchitoches, LA, having a mailing address and domicile of 118 Reba St., Natchitoches, LA 71457, and individually and as one of the two directors and shareholders of Starks Construction, Inc.;

**Barbara Jan Griffin Starks**, a domiciliary and resident of Natchitoches, LA, having a mailing address and domicile of 118 Reba St., Natchitoches, LA 71457, individually and as one of the two directors and shareholders of Starks Construction, Inc.;

**Sabine State Bank** ("the Bank"), a Louisiana banking organization, having its principal place of business and mailing address of 297 Elizabeth Street, Many, LA, herein represented by Lee McCann, its President;

**300 Mile Investments, LTD** ("the LTD"), a Texas general partnership (Charter/Organization ID: 36689142L), having a mailing address of 701 North First Street, No. 109, Lufkin, TX 75901 where it has its principal office, and having its principal business establishment in Louisiana at 714 Third street, Natchitoches, LA 71457, herein represented by Benjamin D. Winston, the Manager of its General Partner, Winbai Management, LLC, 273 Winston 8 Ranch Road, Lufkin, TX 75904;

**Fair Properties, L.L.C.**, (Charter/Organization ID: 35806971 K , "Fair Properties"), a Louisiana limited liability partnership, with its principal place of business in Natchitoches, LA and having a mailing address and domicile of 714 Third Street, Natchitoches, LA 71457, herein represented by James Rex Fair, Jr., its managing member; and

**Kevjan Properties, L.L.C.** (Charter/Organization ID: 36880926 K , "Kevjan"), a Louisiana limited liability partnership, with its principal place of business in Natchitoches, LA and having a mailing address and domicile of 714 Third Street, Natchitoches, LA 71457, herein represented by Janice Bolton, its managing member; and

**City of Natchitoches** ("the City"), a municipality of the State of Louisiana, herein represented by its Mayor, the Honorable Wayne McCullen, as authorized by Ordinance No. 11, 2010;

**Latnie L. Brewton, III** a domiciliary and resident of Natchitoches, LA, having a mailing address and domicile of 139 FOX Run, Natchitoches, LA 71457; and

**Jeanne J. Brewton**, a domiciliary and resident of Natchitoches, LA, having a mailing address and domicile of 139 FOX Run, Natchitoches, LA 71457;

who, after being duly sworn, did depose and state that:

**WHEREAS**, in that certain Cash Sale Deed between the City and the Corporation, recorded as Instrument 292781, at Conveyance Book 602, Pg. 68 of the public records of Natchitoches Parish, Louisiana (the "Original Acquisition Deed"), the following restrictions (hereinafter, the "Restrictions") were placed on the four (4) contiguous tracts or parcels of ground sold therein (the "Property"):

- "1) There shall be no building or improvement on the subject property that exceeds seventy-five feet (75 feet) in height or exceeds a total of four (4) stories;
- 2) There shall be no more than one meeting room or conference room allowed on the property described above and that room shall be no larger than Twelve Hundred (1,200) square feet, and there shall be no other conference room or meeting room for rent or lease or open to the public for use; and
- 3) All construction must comply with Historic District and City of Natchitoches Planning and Zoning requirements, and is subject to final Historic District Commission approval, and City of Natchitoches Planning and Zoning Commission approval."

**WHEREAS**, in the Original Acquisition Deed, Corporation granted the City an option to purchase the property (the "Option"), as follows:

"And now comes and appears the VENDEE who does grant to the VENDOR, for no additional consideration, and subject to the conditions hereinafter set forth, the exclusive right, privilege, or option to purchase for the above described property.

The option to purchase shall become effective if a 100 room hotel is not completed according to specifications, as approved by the City of Natchitoches, within three years from the date of recordation of this deed. In the event the 100 room hotel is not completed to specifications, as approved by the City of Natchitoches, within three years from the date of recordation of this deed the City may repurchase the property at the original sales price (\$1,200,000.00) plus the market value of any improvements placed on the property by the VENDEE, or any successor. This option is assignable and shall remain in effect for three (3) years or until the 100 room hotel is completed according to specifications, as approved by the City of Natchitoches."

**WHEREAS**, all the parties hereto acknowledge and agree that the Restrictions and the Option were established in favor of the City and that the Restrictions can be removed or altered with the approval and consent of the City; and

**WHEREAS**, all the parties hereto declare that they desire to remove the Restrictions and the Option thereby releasing the Property from the Restrictions and the Option and terminating the Restrictions and the Option in their entirety, and that the Restrictions and the Option be of no further force and effect.

**NOW THEREFORE**, for good and valuable consideration, the sufficiency and receipt of which is hereby acknowledged, the parties hereto remove and terminate the Restrictions and the Option in their entirety burdening the Property. The parties hereby expressly forever waive, release, rescind and relinquish any and all rights which they have or may have to legally enforce, in any manner

whatsoever, by specific performance, injunction, damages or otherwise, the Restrictions and/or Option, the same being of no further force and effect.

The parties further authorize, instruct and direct the Clerk of Court and Recorder of the Parish of Natchitoches, State of Louisiana, to make mention of this revocation by marginal notation on the Original Acquisition Deed being recorded in the official records of his office bearing Instrument Number 292781, at Conveyance Book 602, Page 68.

THUS DONE AND SIGNED in the presence of the undersigned competent witnesses, and me, Notary Public, on this 1<sup>st</sup> day of April, 2010.

WITNESSES:

[Signature]  
Signature

LuGene daGama  
Printed Name

[Signature]  
Signature

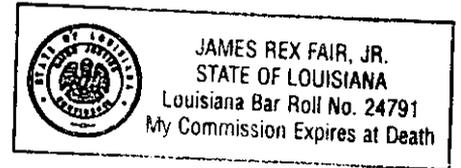
Brittany Fredieu  
Printed Name

HOTEL ST. DENIS, L.L.C.  
("the LLC")

By: [Signature]  
Print name: Kenneth E. Starks  
Manager of K & L Developers, L.L.C., the LLC's managing member

[Signature]  
Notary Public,  
James Rex Fair, Jr.  
Printed Name  
24791

Notary Public/Bar Roll ID No.



THUS DONE AND SIGNED in the presence of the undersigned competent witnesses, and me, Notary Public, on this 1<sup>st</sup> day of April, 2010.

WITNESSES:

[Signature]  
Signature

LuGene daGama  
Printed Name

[Signature]  
Signature

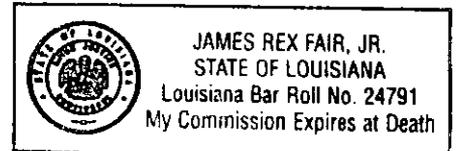
Brittany Fredieu  
Printed Name

STARKS CONSTRUCTION, INC.  
("the Corporation")

By: [Signature]  
Print name: Kenneth E. Starks  
Its President

[Signature]  
Notary Public,  
James Rex Fair, Jr.  
Printed Name  
24791

Notary Public/Bar Roll ID No.



THUS DONE AND SIGNED in the presence of the undersigned competent witnesses, and  
me, Notary Public, on this 1<sup>st</sup> day of April, 2010.

WITNESSES:

[Signature]  
Signature  
L Eugene daGama  
Printed Name

[Signature]  
Signature  
Kenneth E. Starks  
Printed Name

L Eugene daGama  
Printed Name

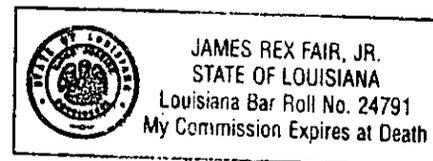
[Signature]  
Signature

Brittany Fredin  
Printed Name

[Signature]  
Notary Public

James Rex Fair, Jr.  
Printed Name

24791  
Notary Public/Bar Roll ID No.



THUS DONE AND SIGNED in the presence of the undersigned competent witnesses, and  
me, Notary Public, on this 1<sup>st</sup> day of April, 2010.

WITNESSES:

[Signature]  
Signature  
L Eugene daGama  
Printed Name

[Signature]  
Signature  
Barbara Jan Griffin Starks  
Printed Name

L Eugene daGama  
Printed Name

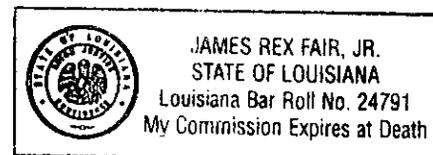
[Signature]  
Signature

Brittany Fredin  
Printed Name

[Signature]  
Notary Public

James Rex Fair, Jr.  
Printed Name

24791  
Notary Public/Bar Roll ID No.



THUS DONE AND SIGNED in the presence of the undersigned competent witnesses, and me, Notary Public, on this 1<sup>st</sup> day of Apr. 1, 2010.

WITNESSES:

[Signature]  
Signature

SABINE STATE BANK  
("the Bank")

LuGene daGama  
Printed Name

By: [Signature]  
Print name: Lee McCann  
Its President

[Signature]  
Signature

Brittany Fredieu  
Printed Name

[Signature]  
Notary Public  
James Rex Fair Jr  
Printed Name  
24791  
Notary Public/Bar Roll ID No.

THUS DONE AND SIGNED in the presence of the undersigned competent witnesses, and me, Notary Public, on this 31 day of MARCH, 2010.

WITNESSES:

[Signature]  
Signature

300 MILE INVESTMENTS, LTD  
("the LTD")  
Through: General Partner, Winbai Management, LLC

Jennifer Koon  
Printed Name

By: [Signature]  
Print name: Benjamin D. Winston  
Manager of Winbai Management, LLC

[Signature]  
Signature

Sara Richard  
Printed Name

[Signature]  
Notary Public  
JOE STEPHEN GREAK JR.  
Printed Name



\_\_\_\_\_  
Notary Public/Bar Roll ID No.

THUS DONE AND SIGNED in the presence of the undersigned competent witnesses, and me, Notary Public, on this 1st day of April, 2010.

WITNESSES:

Brittany Fredieu  
Signature

Brittany Fredieu  
Printed Name

Sharon Carney  
Signature

Sharon Carney  
Printed Name

FAIR PROPERTIES, L.L.C.  
("Fair Properties")

By: [Signature]  
Print name: James Rex Fair, Jr.  
Manager

Edith daGama e Silva  
Notary Public

Edith daGama e Silva  
Printed Name

78287

Notary Public/Bar Roll ID No.

THUS DONE AND SIGNED in the presence of the undersigned competent witnesses, and me, Notary Public, on this 1st day of April, 2010.

WITNESSES:

LuGene daGama  
Signature

LuGene daGama  
Printed Name

Brittany Fredieu  
Signature

Brittany Fredieu  
Printed Name

KEVJAN PROPERTIES, L.L.C.  
("Kevjan")

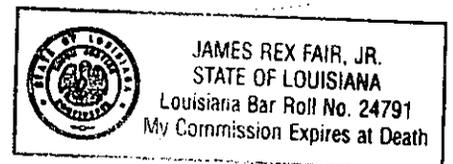
By: Janice M. Bolton  
Print name: Janice Bolton  
Manager

[Signature]  
Notary Public

James Rex Fair, Jr.  
Printed Name

44791

Notary Public/Bar Roll ID No.



THUS DONE AND SIGNED in the presence of the undersigned competent witnesses, and  
me, Notary Public, on this 1<sup>st</sup> day of April, 2010.

WITNESSES:

Ronald E. Corkern, Jr.  
Signature

CITY OF NATCHITOCHES

Ronald E. Corkern, Jr.  
Printed Name

By: Wayne McCullen  
Print name: Wayne McCullen  
Its Mayor

Wayne McCullen  
Signature

T. Taylor Townsend  
Printed Name

Gregory B. Upton  
Notary Public  
Gregory B. Upton  
Printed Name  
Bar 17177  
Notary Public/Bar Roll ID No.

THUS DONE AND SIGNED in the presence of the undersigned competent witnesses, and  
me, Notary Public, on this 1<sup>st</sup> day of April, 2010.

WITNESSES:

Lubene Dabama  
Signature

Latnie L. Brewton, III  
Signature

Latnie L. Brewton, III

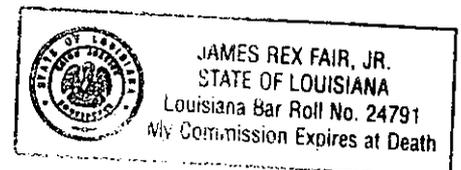
Lubene Dabama  
Printed Name

Brittany Fredieu  
Signature

Brittany Fredieu  
Printed Name

James Rex Fair, Jr.  
Notary Public  
James Rex Fair, Jr.  
Printed Name

24791  
Notary Public/Bar Roll ID No.



THUS DONE AND SIGNED in the presence of the undersigned competent witnesses, and me, Notary Public, on this 1<sup>st</sup> day of April, 2010.

**WITNESSES:**

[Signature] Jeane J. Brewton  
Signature Jeane J. Brewton

Eugene LaBama  
Printed Name

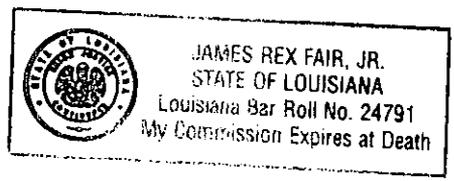
[Signature]  
Signature

Brittany Fredien  
Printed Name

[Signature]  
Notary Public

James Rex Fair, Jr.  
Printed Name

24791  
Notary Public/Bar Roll ID No.



The meeting continued with Resolutions, as follows:

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

**RESOLUTION NO. 023 OF 2010**

**RESOLUTION ENDORSING AND SUPPORTING THE LOUISIANA ECONOMIC DEVELOPMENT'S (LED) LOUISIANA DEVELOPMENT READY COMMUNITIES PILOT PROGRAM AND WORK PLAN**

**WHEREAS**, The Louisiana Development Ready Communities Pilot Program, a strategic effort by Louisiana Economic Development to assist all of Louisiana's communities to become more competitive in today's global economy, is a community assessment, strategic planning, leadership development and marketing planning process for cities, towns, and villages; and

**WHEREAS**, the program's requirements provide for involvement of individuals from both public and private sectors of the community including: elected and appointed municipal officials, municipal employees, community leaders and citizens; and

**WHEREAS**, implementation and achievement of the community's vision, objectives and strategies, and measurement of that achievement, are the major goals of the program. LED's objectives are:

- 1) to provide a comprehensive and straight-forward assessment of community and economic development practices and activities;
- 2) to provide training, coaching, and external resources to Pilot Communities;
- 3) to establish a repeatable process by the lessons learned, success stories and testimonials in this Pilot Program; and
- 4) to ultimately develop more marketable communities and diversified economies through a systematic approach to community and economic development in the State of Louisiana; and

**WHEREAS**, this City Council will receive a presentation of the strategic plan developed by our community resulting from the Louisiana Development Ready Communities Pilot Program for consideration and any further action deemed appropriate at that time.

**NOW, THEREFORE, BE IT RESOLVED** that the Natchitoches City Council does hereby endorse and support LED's Louisiana Development Ready Communities Pilot Program and its work plan and authorizes the Mayor and employees to cooperate with and participate in the community assessment and strategic planning activities, and further, the citizens of the City of Natchitoches are urged to support this effort.

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

**AYES:** McCain, Nielsen, Mims, Morrow, Payne  
**NAYS:** None  
**ABSENT:** None  
**ABSTAIN:** None

**THEREUPON**, the Mayor, Wayne McCullen, declared the Resolution passed by a vote of 5 ayes to 0 nays, this the 22<sup>nd</sup> day of March, 2010.

  
**WAYNE McCULLEN, MAYOR**

Ms. Morrow said she has spoken to Mr. Randy LaCaze, Director of Community Development, and asked him about the second paragraph where it says you are supposed to appoint elected officials, community leaders, etc., and he advised her that Ms. Courtney Hornsby, Director of Programming and Promotions, is handling it. Ms. Morrow noted that Mr. LaCaze is over community development, so she submitted to him the names of elected and community people she felt would be able to serve. She said if we are going to have a community ready city, we need a cross section of people serving with Mr. LaCaze.

The Mayor called on Mr. LaCaze to clarify Ordinance Resolution 23. Mr. LaCaze stated that about three years ago, they started a new section under Louisiana Economic Development which was headed by Skip Smart, and they started a Community Development initiative. He said the first thing they did was develop, through a series of meetings, a so-called economic development tool kit, trying to help small communities around the state that didn't have the resources and the where-with-all to hire consultants to come in and advise them. He said that is now available and widely used throughout the state. He said the next initiative was this Ready Communities Pilot Program which started last year and may provide you with opportunities for funding and other things that could come down the pike. He advised that there is no funding in place right this minute of any sort. He clarified that what he told Ms. Morrow was that Ms. Hornsby was handling the application, not that she was handling the whole thing. He said she has been filling out the application, and he has been assisting and working with her, and in that regard, there are a number of committees they suggest setting up, but there have been no names associated with that at this point. He said he does not make those decisions, and that is something that, if anything, the Mayor would maybe put his two cents in on.

Ms. Morrow said she is very much familiar with a Ready Economic Development Community, but she is saying that he is over community development, and if she can't talk to him, and offer her names and suggestions, our people don't serve. She said she believes in putting her names out there so people from her area can serve.

Names for Economic  
Ready City

- |   | Tele. No.              |
|---|------------------------|
| 1. Sylvia Morrow -                            | 352-6129               |
| 2. Edward Ward, Jr.<br>Community Leader       | 352-4404               |
| 3. Municipal employee - Debbie at your office |                        |
| 4. Cloy Benjamin -                            | 352-7575               |
| 5. Judie Barnum -                             | 357-2213 <u>office</u> |

The Mayor asked if there was any further business to be brought before the Council.

Mr. Nielsen said he wished to send a thank-you to the residents of Town South for what they went through two weekends ago with the railroad crossing, and commend the Chief of Police and his staff, and the Mayor for efforts to minimize the closure to 30 minutes although it turned into several hours. He noted that Public Works jumped on board, and everybody did everything they could to make that happen. He stated that he has brought this thing about as far as he can go, and he's now asking the rest of the Council and Mayor to look at it again to get this road in, whether it's temporary or permanent. He said they have got to have a commitment to these people to get this done. He said since he's been on the Council, it has been blocked three times, and that's three times too many, but he thinks the dynamics have changed and we need to go back and negotiate with the railroad and with DOT.

Ms. Ernestine Armstrong, a resident of the Town South Community, advised that she didn't have an idea that the tracks were going to be closed until Friday morning. She said she thought they should have been forewarned that the closing would come about and how long it was going to be. She also stated that they were advised to park their cars on the other side of the track during the closing, which is a main highway and a dangerous place to park a car. She said this would be the same as if a train derailed because they would be blocked, with no means of going in and out, praying that there won't be an emergency. She noted that emergency vehicles were posted on the other side of the tracks during the closure, and thanked the Police Department and the ambulance service, because there was an emergency. She said all they have ever asked for was an escape route, not a thoroughfare that you are going to use every day. She said many of the residents have been there for years, and they are getting old, and there is sickness in their neighborhood, and she does not want somebody to die because they couldn't get the medical help they needed. In closing, she said she will not come before the Council again because she has done this for 30 years. The Mayor noted that they have been working at this for some time, trying to accommodate the residents, but the first thing that has to be done is to be able to connect the two subdivisions because you can't build a road for one and not build a road for the second. He said they have worked with DOTD, the railroad, and everyone, but the big thing is, the residents have to connect the two subdivisions. He said their goal is to connect the two subdivisions and then try to get something created to get both communities out, and they have tried to buy property to connect the two, but they need a little cooperation to make that happen. Ms. Armstrong asked who owns the property in between Industrial Drive and Town South. The Mayor said the City owns that. Ms. Armstrong said she knows the City has graders and plows and it wouldn't take very much to put an access road. The Mayor advised that when Alliance came here, and they were the anchor industry out there, there was an agreement with them that the City would not

open that up to residential, and if they did, everyone would have to agree that it was a temporary situation and it would be gated so people did not come in and out of there on a daily basis. He said the first thing they have to accomplish is to connect those two subdivisions, and then they can look at alternate sites to get it out.

Ms. Morrow said she remembers some drawings done by Nowlin's office (Mr. Nielsen advised that he has them), and asked Mr. Nielsen if that is not a good plan. He said it flunked, as he understands it, with DOT and the railroad. He said he's asking to look at it, in house, because we have one of the best teams, with the department heads we have in Natchitoches, and we do have graders and bulldozers, and we have great attorneys. He said they have got to acquire the property and get the two subdivisions connected, and he's ready to get it done and move on to something else because this has gone on way too long. He said it's nobody's fault, but it just never has come to fruition, so it's time to back up, get together, and see what we can do in-house. He said he's willing to dedicate part of his road money to make this things happen, and Councilman Mims has also offered to take some of his and get that done. Ms. Morrow said if something doesn't hurry up and be done, there's going to be lawsuit.

Ms. Elizabeth Wysingle asked the Mayor if he is for them getting a road in Town South. The Mayor said he's been for them a long time, and he's gone down and tried to negotiate properties and has done everything they could to try to expedite that.

Pastor Steven R. Harris, Sr. asked the Mayor what the outcome was when they tried to negotiate with some of the property owners. The Mayor said it was inflated prices to try to connect the two. Pastor Harris said he is really disappointed in all the things he has heard about this situation. He said he really got involved in the last year or two, and talked to Councilman Nielsen and some others, and has even talked to the Mayor, and wants to say to everyone, including the citizens of that community, personally he's not going to ask for nothing that is already theirs, saying it's going to be done. He said they will work together to get it done because somebody's life may depend on seconds.

Mr. Tommy Ward then addressed the Council regarding his electric bills, inquiring how the fuel adjustments are rated. He said his bill showed that he used 5,017 wattages and his fuel adjustment was \$270.92. Then, this month, his bill showed 4,319 usage and his fuel adjustment is \$302.33, and his kilowatt consumption of \$103.66. He said he has unplugged everything in his house except his refrigerator and one alarm clock, and he and his wife are hardly at home because they work all day. He said this doesn't make any sense, and he needs some answers. The Mayor said for Mr. Ward to bring it by and they will take a look at it because he doesn't have his records, he doesn't know his house.

There being no further business, Mr. Nielsen made a motion to adjourn the meeting, Mr. Payne seconded the motion, and the meeting was adjourned at 8:55 p.m.

Wayne McCullen  
**MAYOR WAYNE McCULLEN**

Don A. Mendenhall  
**MAYOR PRO TEMPORE**