

OFFICIAL PROCEEDINGS
CITY OF MORGAN CITY
FEBRUARY 5, 2014

The Mayor and City Council of Morgan City, Louisiana, met at 6:00 pm (local time) in regular session, this date, in the City Court Building, Highway 182 East, Morgan City, Louisiana.

There were present: Honorable Frank P. Grizzaffi, III Mayor; and Council Members Ron Bias, Barry Dufrene, James Fontenot, Tim Hymel, and Louis J. Tamporello, Jr.

Absent: None

Also present were Mr. Marcus Folse, Chief Administrative Officer and Mr. Paul Landry, Assistant City Attorney.

The invocation was given by Reverend Mark Gowan.

Mr. Clarence Robinson with the Morgan City Housing Authority presented a check to the City in the amount of \$55,000 for the taxes. He gave a brief background on what they were currently doing to improve the agency in the community.

Mr. Brian Blanchard with Café' Jojo's addressed the Council requesting permission to close Front Street on Friday nights from 6:30 PM to 9:30 PM beginning April 25 and running until June 20th to hold Rhythms on the River. A motion to allow the request was made by Mr. Fontenot, seconded by Reverend Bias, and voted unanimously in favor.

Mayor Grizzaffi stated that Mr. Clay Leonard had submitted a request to hold the second annual Iron Horse Triathlon. A motion to concur with the request was made by Mr. Hymel, seconded by Mr. Fontenot, and voted unanimously in favor.

The minutes of the December 17, 2013 meeting were submitted. There being no corrections, additions, or deletions, a motion to approve the minutes was made by Mr. Tamporello, seconded by Mr. Hymel, and voted unanimously in favor.

Mrs. Deborah Garber, Finance Director, submitted the following financial statement for the period ending December 31, 2013.

MONTHLY FINANCIAL STATEMENTS

DATE: February 5, 2014
TO: Mayor and Council
FROM: Deborah Garber
RE: Comments related to summary of revenues and expenses compared to budget for the period ended December 31, 2013.

Attached is a summary that compares our actual revenues and expenses to our operational budget for our major funds subject to budgetary control for the period ending December 31, 2013. The following comments are related thereto:

General and Ancillary Funds: Actual total revenues exceed budget by \$136,310. Operating expenses are below budget by \$266,426. The net income, after transfers, of \$745,725 creates a favorable variance of \$386,964.

Utility Fund: Actual revenues are over budget by \$120,340, with operational expenses over budget by \$62,612. The net income, after transfers, of \$646,200 creates a favorable variance of \$109,691.

Sanitation and Sewer Fund: The operating revenues are \$16,385 under budget, with total operating expenses under budget by \$69,309. The net income, after transfers, of \$873,093 leaves a favorable variance of \$207,375.

Respectfully submitted,
/s/ Deborah Garber
Deborah Garber

Finance Director

CONSOLIDATED STATEMENT
Actual Revenues and Expenses Compared to Budget
Period Ended December 31, 2013

	December 2013 ACTUAL	December 2013 BUDGET	VARIANCE
GENERAL AND ANCILLARY FUNDS			
REVENUES			
General Fund	7,407,389	7,364,522	42,867
Recreation Fund	179,432	143,395	36,037
Library Fund	18,126	17,464	662
Auditorium Fund	339,823	345,268	(5,445)
Lake End Park Fund	719,481	657,292	62,189
Total Revenues	8,664,251	8,527,941	136,310
EXPENSES-OPERATIONAL			
General Fund	9,745,562	9,934,992	(189,430)
Recreation Fund	597,613	596,927	686
Library Fund	116,797	124,099	(7,302)
Auditorium Fund	411,711	458,643	(46,932)
Lake End Park Fund	684,344	707,792	(23,448)
Total Expenses	11,556,027	11,822,453	(266,426)
TRANSFERS			
Transfers from Funds	4,582,602	4,597,480	(14,878)
Transfers to Funds	(945,101)	(944,207)	(894)
Net Transfers	3,637,501	3,653,273	(15,772)
EXCESS NET OF TRANSFERS	745,725	358,761	386,964
UTILITY FUND			
Total			
Revenues	20,982,144	20,861,804	120,340
Total Expenditures	17,332,489	17,269,877	62,612
Net Excess	3,649,655	3,591,927	57,728
Net Transfers and non-oper.	(3,003,455)	(3,055,418)	51,963
Excess net of transfers	646,200	536,509	109,691
SANITATION AND SEWER FUND			
Total			
Revenues	2,185,327	2,201,712	(16,385)
Total Expenses	2,982,549	3,051,858	(69,309)
Net Excess	(797,222)	(850,146)	52,924
Net Transfers/non-operating expenses	1,670,315	1,515,864	154,451
Excess net of transfers and non-operating	873,093	665,718	207,375

A motion to accept the financial statement was made by Reverend Bias, seconded by Mr. Dufrene, and voted unanimously in favor.

Mayor Grizzaffi stated that Representative Sam Jones was working on the Morgan City Development District. He stated that Mr. Jones had been ill and he had not been able to get copy of the draft document to him. Mr. Pat Cloutier asked about alienation of real property. Mayor Grizzaffi stated that he did not want to comment on the specifics of the document until he had a copy of it.

Mayor Grizzaffi asked the Council if they would like to continue to working on the draft Zoning update that Kendig Keast had prepared. He stated that the City had a grant that paid for the draft, but in order to finalize it, it would cost the City about \$24,000. Mr. Tamporello stated that he would like to see them attend the next Council meeting and give a proposal of what they planned to do to finish the project.

Mr. Dwayne Barbier, Director of Recreation & Culture, stated that the Lake End Park Cabins were in the process of having the floors repaired. He advised that all three cabins were shut down for about two and a half weeks so they could all be repaired at the same time.

Mayor Grizzaffi stated that some personnel changes had taken place in the City and there was now a carpenter for the City. He stated that all major medians in the City were now being cut by contractors. He advised that he felt the changes that were made would make our City much better operationally.

The next matter on the agenda was the Mayor Pro-Tem, whereupon,

Mr. Tamporello offered the following Resolution, who moved for its adoption.

RESOLUTION NO. R: 14-01

WHEREAS, by Ordinance 01-3, the council approved a change to the charter to provide for the annual selection of the mayor pro-tempore by a majority vote of the council, said selection to be made at the first meeting in January of each year, and

WHEREAS, this home rule charter amendment, in an election held on October 12, 2002, was approved by a majority vote of the qualified electors voting in this election.

NOW THEREFORE BE IT RESOLVED, by the City Council, the governing authority of the City of Morgan City, that Tim Hymel is hereby selected as Mayor Pro-tempore of the City Council for the year 2014.

Reverend Bias seconded the motion.

The vote thereon was as follows:

AYES: Tamporello, Bias, Dufrene, Fontenot, Hymel

NAYS: None

ABSENT: None

The resolution was therefore declared approved and adopted this 5th day of February, 2014.

/s/ Frank P. Grizzaffi, III
Frank P. Grizzaffi, III
Mayor

ATTEST:

/s/ Debbie Harrington
Debbie Harrington
Clerk

Mayor Grizzaffi stated that a change had to be made to the LEPA Power Sales Agreement, whereupon,

The below resolution was offered by Reverend Bias and seconded by Mr. Hymel:

RESOLUTION R:14-02

A resolution authorizing the amendment of the Rodemacher Unit No. 2 Power Sales Agreement by and between the Louisiana Energy and Power Authority and the City of Morgan City, State of Louisiana to change the point of delivery to the interconnection of Rodemacher Unit No. 2 with Cleco Power LLC.

WHEREAS, the Louisiana Energy and Power Authority (the "LEPA"), is a political subdivision and body politic and corporate of the State of Louisiana, created pursuant to Chapter 10-A of Title 33 of the Louisiana Revised Statutes of 1950 (the "Act"), to provide a means for those Louisiana municipalities which are members of LEPA to secure electric power and energy for their present and future needs; and

WHEREAS, the City of Morgan City, State of Louisiana (the "City"), owns and operates an electric utility system and is a member of LEPA; and

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

WHEREAS, LEPA entered into the Amended and Restated Agreement for Joint Ownership, Construction and Operation of Rodemacher Unit No. 2 (the "Joint Ownership Agreement"), with Central Louisiana Electric Company, Inc. ("CLECO"), CLECO Construction Company, Inc., and LEPA, pursuant to which LEPA acquired an undivided ownership interest in and is entitled to a portion of the electric power and energy derived from its portion of Rodemacher Unit No. 2 (the "Project"); and

WHEREAS, LEPA has taken all steps necessary for acquisition and construction, pursuant to the Joint Ownership Agreement, of its undivided ownership interest in the Project for the supply of electric power and energy to the City and to the other Louisiana municipalities contracting with LEPA therefor; and

WHEREAS, on October 1, 1982, LEPA entered into power sales agreements (the "Agreements") with the City of Alexandria, the City of Houma, the Town of Jonesville, the City of New Roads and the City (collectively, the "Participants") for the purchase and sale of output from the Project; and

WHEREAS, it is anticipated the electric transmission systems across which the power and energy is conveyed will transition to the [Midcontinent Independent System Operator](#) ("MISO") Regional Transmission Organization ("RTO") in or around December 2013, and

WHEREAS, transition to the MISO RTO will afford the LEPA and the Participants network integrated transmission service for all of the Participants' resources, including the Project; and

WHEREAS, LEPA and the Participants agree it is advisable and beneficial to amend the Agreements to change the point of delivery of Project power and energy to the point of interconnection between the Project and the Central Louisiana Electric Company (CLECO); and

WHEREAS, LEPA and the Participants are legally empowered to amend the Agreements by virtue of the powers and authority granted by the Act, including particularly R.S. 33:4545.7 and 33:4545.9;

NOW THEREFORE BE IT RESOLVED, by the Morgan City Council (the "Governing Authority"), acting as the governing authority of the City of Morgan City, that:

SECTION 1. Incorporation by Reference. The foregoing Whereas clauses are adopted as fully set forth herein.

SECTION 2. Approval of Amendment. Amendment No. 1 to the Power Sales Contract between LEPA and the City (the "Amendment") is hereby approved in substantially the form attached as Exhibit A hereto, and the Mayor and Clerk are hereby authorized to execute and deliver the Amendment on behalf of the City and as its act and deed.

SECTION 3. No Objection to Amendments to Other Agreements. This Governing Authority expressly states that it has no objection to similar amendments being made to the Agreements between LEPA and the other Participants.

SECTION 4. Other Actions. The Mayor and Clerk are authorized to take any and all other actions as may be necessary and incidental to carry out all of the provisions and accomplish the purpose of this Resolution.

SECTION 5. Repealer. This Resolution shall be effective immediately; all other resolutions in conflict herewith are repealed to extent of conflict.

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

YEAS: Bias, Hymel, Dufrene, Fontenot, Tamporello

NAYS: None

ABSENT: None

And the resolution was declared adopted on this, the 5th day of February, 2014.

/s/ Debbie Harrington
Clerk

/s/ Frank P. Grizzaffi, III
Mayor

In the matter of the Potable Water Storage Tank Roof Bid Tabulation, Mr. Oscar Boudreaux stated that only one bid had been received from Morgan Roofing Company, whereupon,

Mr. Fontenot offered the following Resolution, who moved for its adoption.

RESOLUTION NO. R: 14-03

BE IT RESOLVED, by the City Council, the governing authority of the City of Morgan City, that the bid of Morgan Roofing Company, Inc. of Lake Charles, for furnishing all labor, materials, equipment, etc., for the Potable Water Storage Tank Roofing in the amount of ONE HUNDRED EIGHT THOUSAND DOLLARS and NO CENTS (\$108,000.00) being the least and most responsible bid received, be and the same is hereby accepted and awarded to Morgan Roofing Company, Inc., contingent on DHH approval.

BE IT FURTHER RESOLVED, etc., that the Mayor, be and he is hereby authorized, empowered, and directed to execute a contract with said Morgan Roofing Company, Inc. for and on behalf of and in the name of said Municipal Corporation, for furnishing all labor, materials, and equipment for the Potable Water Storage Tank Roofing, Morgan City, Louisiana.

BE IT FURTHER RESOLVED, etc., that the contract shall be filed with the Clerk of Court and Ex-officio Recorder of Mortgages for the Parish of St. Mary, State of Louisiana, for recordation in the mortgage records of said parish, hereby ratifying and confirming his act or acts in the premises.

Mr. Dufrene seconded the motion.

The vote thereon was as follows:

AYES: Fontenot, Dufrene, Bias, Hymel, Tamporello

NAYS: None

ABSENT: None

The resolution was therefore declared approved and adopted this 5th day of
February, 2014.

/s/ Frank P. Grizzaffi, III
Frank P. Grizzaffi, III
Mayor

ATTEST:

/s/ Debbie Harrington
Debbie Harrington
Clerk

The next matter on the agenda was the Resolution of Support for the Homeowner's Flood Insurance Affordability Act, whereupon,

Mr. Hymel offered the following Resolution, who moved for its adoption.

RESOLUTION NO. R: 14-04

WHEREAS, a resolution by the City of Morgan City requesting the members of the Louisiana Congressional Delegation to co-sponsor and support the Homeowners Flood Insurance Affordability Act (S. 1610 & HR 3370) introduced October 29, 2013 in both the U.S. Senate and House of Representatives and to have submit in writing to join the Greater New Orleans, Inc. (GNO, Inc.) as a supporter of their growing Coalition for Sustainable Flood Insurance to address the issues being faced as a result of the Biggert-Waters Flood Insurance Reform Act of 2012.

WHEREAS, the National Flood Insurance Program (NFIP) provides homeowners with property coverage in the event of flooding and is required for many homeowners throughout the State of Louisiana; and

WHEREAS, the Biggert-Waters Flood Insurance Reform Act of 2012, signed into Law in 2012, contains provisions for phased-in automatic premium increases for certain policy holders; and

WHEREAS, Sections 205 and 207 will unfairly affect hundreds of thousands of policyholders throughout the United States who purchased or built their homes in accordance with the current building codes; and

WHEREAS, the current provisions of the Biggert-Waters Flood Insurance Reform Act of 2012 beginning July 1, 2012 removed the subsidized (pre-FIRM) rates for residences not being used as a primary home by the homeowner, and property experiencing repetitive losses due to flooding, any business property and any policy on a newly purchased home and allow rates to increase by 25% per year until actuarial rates are achieved; and

WHEREAS, these increases in flood insurance rates are having an adverse effect on not only the real estate industry as persons are not able to sell their homes or prospective buyers are wary of paying large flood insurance premiums, but also on the banking industry as well as potentially all sectors of business that may need to adjust costs up to absorb the premium increases; and

WHEREAS, the consequences resulting from the Biggert-Waters Flood Insurance Reform Act of 2012 is not isolated to the State of Louisiana but affects virtually every state of the United States; and

WHEREAS, the City of Morgan City, supports all efforts of the Louisiana Congressional Delegation to work with members of congress to address the issues created by the Biggert-Waters Flood Reform Act of 2012; and

WHEREAS, the diligent and tireless efforts of U.S. Senator Mary Landrieu (D-LA), U.S. Senator David Vitter (R-LA), U.S. Representative Bill Cassidy (R-LA), U.S. Representative Rodney Alexander (R-LA), U.S. Representative Steve Scalise (R-LA), U.S. Representative Cedric Richmond (R-LA), U.S. Representative Charles Boustany (R-LA), and U.S. Representative John Fleming (R-LA) in being the voice of Louisiana homeowners and business owners in Washington on this issue is very much appreciated; and

WHEREAS, in response to these issues, on October 29, 2013, U.S. Senators Robert Menendez (D-NJ) and Johnny Isakson (R-GA) led a bipartisan coalition of U.S. Senators,

including Senators Mary Landrieu (D-LA) and David Vitter (R-LA) and introduced S. 1610, the Homeowner Flood Insurance Affordability Act which will protect homeowners in the State of Louisiana and across the country from facing massive flood insurance rate premium increases. This legislation was soon followed by the United States House of Representatives which introduced similar legislation in H.R. 3370; and

WHEREAS, the Homeowner Flood Insurance Affordability Act contains a number of provisions to address homeowners issues, including but not limited to delaying implementation of BW-12 until an affordability study is completed by FEMA and also requiring the reimbursement to homeowners who successfully appeal flood map findings; and

WHEREAS, Greater New Orleans, Inc. (GNO, Inc.), a regional economic development group supporting the ten parishes in and around the New Orleans area has created the Coalition for Sustainable Flood Insurance which is gaining support from business, civic and government organizations across the State of Louisiana and the United States; and

WHEREAS, GNO, Inc. through the Coalition for Sustainable Flood Insurance, has taken action to bring awareness to the NFIP issues in Washington through testimony before committees and visiting the congressional delegation; and

WHEREAS, the City of Morgan City, through this resolution joins as a member of the Coalition for Sustainable Flood Insurance to support their efforts in bringing awareness to the issues being felt as a result of the Biggert-Waters Flood Insurance Reform Act of 2012 and to assist in bringing the necessary changes to eliminate these extraordinary costs on homeowners and businesses.

NOW THEREFORE BE IT RESOLVED, by the City Council, the governing authority of the City of Morgan City, that

SECTION 1. All members of the Louisiana Congressional Delegation to co-sponsor and support S. 1610/H.R. 3370 The Homeowner Flood Insurance Affordability Act and to take all the necessary and appropriate steps to ensure its passage and enactment into law.

SECTION 2. That a copy of this resolution be transmitted to all members of the Louisiana Congressional Delegation.

SECTION 3. Officially join as a member GNO, Inc.'s Coalition for Sustainable Flood Insurance and to support all of their efforts on this issue.

SECTION 4. Transmit a copy of this resolution to GNO, Inc. as a formal request to become a member of the Coalition for Sustainable Flood Insurance.

BE IT FURTHER RESOLVED, that the City of Morgan City does thank our legislative delegation for their leadership on this issue and request their continued effort to amend or revise the Biggert-Waters Flood Insurance Reform Act.

Mr. Tamporello seconded the motion.

The vote thereon was as follows:

AYES:	Hymel, Tamporello, Bias, Dufrene, Fontenot
NAYS:	None
ABSENT:	None

The resolution was therefore declared approved and adopted this 5th day of

February, 2014.

/s/ Frank P. Grizzaffi, III
Frank P. Grizzaffi, III, Mayor

ATTEST:

/s/ Debbie Harrington
Debbie Harrington, Clerk

Mr. Steve Morell stated that the City was in the process of forming a Culture and Development District that would include all of the cultural assets in the City. He stated that in order to do this, a resolution of support was needed, whereupon,

Mr. Fontenot offered the following Resolution, who moved for its adoption.

RESOLUTION NO. R: 14-05

WHEREAS, Act 298 of the 2007 Regular Session of the Louisiana Legislature authorizes Local Governing Authorities to create Cultural Districts as a mechanism for community revitalization through the creation of hubs of cultural activity; and

WHEREAS, the Louisiana Department of Culture, Recreation and Tourism, Office of Cultural Development is authorized to develop standard criteria for cultural districts and to determine whether or not a proposed Cultural District meets those criteria; and

WHEREAS, the Louisiana Department of Culture, Recreation and Tourism, Office of Cultural Development has promulgated administrative rules which set for the procedure for Local Governing Authorities to submit applications to designate and certify a specified geographic area as a Cultural District; and

WHEREAS, the geographic area within the City of Morgan City, Parish of St. Mary, may meet the criteria for the creation of a Cultural District which area is generally comprised of the territory within the following boundaries beginning at intersection of Atchafalaya River and Intercoastal to Avoca Road, heading north on Avoca Road to Intersection with Myrtle Street. Myrtle Street northward to Auditorium Drive, continuing along drive to Encompass C.E. Brownell Memorial complex. Continuing along Myrtle Street to Victor II Boulevard. Victor II Boulevard to Cottonwood Street heading south on Cottonwood to HWY 182 heading west on HWY 182 to Ninth Street to Margurite Street. Heading north on Sixth Street to Levee Road. Continuing on Levee Road to Atchafalaya River. Continuing along Atchafalaya to intersection with Intercoastal; and

WHEREAS, within the boundaries of a state-certified Cultural District, several tax incentives may be available including (1) a sales tax exemption on the sale of certain original works of art, (2) individual income tax credits for eligible expenses incurred during the rehabilitation of certain owner-occupied residential or owner-occupied mixed use structures, and (3) income and corporate franchise tax credits for eligible expenses incurred during the rehabilitation of certain historic structures; and

WHEREAS, only a Local Governing Authority is authorized to submit an application for the designation and certification of a Cultural District; and

WHEREAS, a "Local Governing Authority" is defined by LAC 25:1101 as "the governing authority of the parish in which the Cultural District is located unless the district is located in a municipality, in which case "Local Governing Authority" shall mean the governing authority of the municipality. If the district is located partly in a municipality, "Local Governing Authority" shall mean the governing authority of the parish and the governing authority of the municipality"; and

WHEREAS, the Morgan City Cultural District is located entirely within the municipality of Morgan City and therefore the City of Morgan City would be the proper entity to submit an application for the certification and designation of the above described geographic area as a Cultural District.

NOW THEREFORE BE IT RESOLVED, by the City Council, the governing authority of the City of Morgan City, that they hereby:

1. Support and endorse the submission of an application to designate the Morgan City Cultural District as a state-certified Cultural District; and
2. Delegate its authority to submit said application and all supporting documents, reports, and other forms required for the creation, administration, and reporting to Morgan City Main Street Manager; and
3. Direct all city (or parish) employees to support and cooperate with efforts to compile all necessary information and data required for the application and all subsequent reporting necessary for the administration of the Cultural District
4. Request all affected citizens and businesses to support and promote activities consistent with the purposes of the Cultural District

5. Authorize the Mayor (or Parish President, etc.) to sign any and all documents required for the creation and administration of the Morgan City Cultural District

Mr. Hymel seconded the motion.

The vote thereon was as follows:

AYES: Fontenot, Hymel, Bias, Dufrene, Tamporello
NAYS: None
ABSENT: None

The resolution was therefore declared approved and adopted this 5th day of February, 2014.

/s/ Frank P. Grizzaffi, III
Frank P. Grizzaffi, III
Mayor

ATTEST:

/s/ Debbie Harrington
Debbie Harrington
Clerk

The Change Zoning Designation of 702 Young's Road Ordinance was introduced. This was a first reading and no definitive action was necessary.

The application for a Class A liquor and beer permit (copy on file) for El Toro Mexican Grill, 7027 Highway 182 East, was submitted. A motion to approve the application was made by Mr. Dufrene, seconded by Reverend Bias, and voted unanimously in favor.

A motion to go into executive session to discuss litigation was made by Mr. Tamporello, seconded by Mr. Reverend Bias and voted unanimously in favor.

EXECUTIVE SESSION – 6:52 TO 7:04 PM

A motion to convene into regular session was made by Mr. Dufrene, seconded by Reverend Bias, and voted unanimously in favor.

There being no further business, a motion to adjourn was made by Reverend Bias, seconded by Mr. Tamporello, and voted unanimously in favor.

/s/ Debbie Harrington
Debbie Harrington
Clerk

/s/ Frank P. Grizzaffi, III
Frank P. Grizzaffi, III
Mayor