

RAPIDES PARISH POLICE JURY

SPECIAL SESSION
FEBRUARY 10, 2017

The Police Jury of the Parish of Rapides, State of Louisiana, met in Special Session at its regular meeting place, the Police Jury Room of the Parish Courthouse, 701 Murray Street, Alexandria, Louisiana, on Friday, February 10, 2017, at 11:00 a.m. (Central Standard Time), pursuant to the provisions of a written notice given to each and every member thereof and duly posted in the manner required by law, viz:

February 8, 2017

NOTICE OF SPECIAL POLICE JURY MEETING

NOTICE IS HEREBY GIVEN that a special meeting of the Police Jury of the Parish of Rapides, State of Louisiana, has been ordered and called and will be held at its regular meeting place, the Police Jury Room of the Parish Courthouse, Alexandria, Louisiana, on Friday, February 10, at 1100 a.m., for the following purposes to-wit:

1. Motion granting to Cleco Power, LLC, its subsidiaries, successors and assigns, a non-exclusive franchise right, and privilege for a five (5) year period, from the effective date of this ordinance, to erect, construct, maintain and operate lines, poles, wires, structures and other equipment and appurtenances and use the public streets, alleys, ways and other public servitudes within the unincorporated area of Rapides Parish, Louisiana, for the purpose of the generation, transmission, distribution and sale of electric energy all as more fully set forth in the franchise agreement and to authorize the President to sign the attached franchise agreement. It is understood and agreed that no payment for a franchise fee shall be due to the Parish by the Company for the right, privilege and franchise granted.
(Mr. Smith)
2. Motion granting to Cleco Power, LLC, its subsidiaries, successors and assigns, a non-exclusive franchise right, and privilege for a four (4) year period, from the effective date of this ordinance, to erect, construct, maintain and operate lines, poles, wires, structures and other equipment and appurtenances and use the public streets, alleys, ways and other public servitudes within the unincorporated area of Rapides Parish, Louisiana, for the purpose of the generation, transmission, distribution and sale of electric energy all as more fully set forth in the franchise agreement and to authorize the President to sign the attached franchise agreement. It is understood and agreed that no payment for a franchise fee shall be due to the Parish by the Company for the right, privilege and franchise granted.
(Mr. Smith)
3. Any other business that may properly come before the Police Jury.

BY ORDER OF THE PRESIDENT

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Laurel Smith, Secretary
Rapides Parish Police Jury

There were present: Craig Smith, Scott Perry, Jr., Davron “Bubba” Moreau, Joe Bishop, Theodore Fountaine, Jr., Richard Vanderlick, Oliver “Ollie” Overton, Sean McGlothlin, Richard Billings and Scott Perry, Jr.

Also present were: Bruce Kelly, Treasurer, Phillip Terrell, District Attorney, Mr. Thomas O. Wells, Legal Counsel; and Ms. Laurel Smith, Secretary.

The invocation was given by Mr. Scott Perry.

The Pledge of Allegiance was led by Mr. Joe Bishop.

The Police Jury of the Parish of Rapides, State of Louisiana, was duly convened as the governing authority of said Parish by Hon. Richard Billings, President, who welcomed all present and then stated that the Police Jury was ready for the transaction of business.

The President asked if there was any public comment on any agenda item, to which there was no response.

On motion by Mr. Richard Billings, seconded by Mr. Ollie Overton, granting to Cleco Power, LLC, its subsidiaries, successors and assigns, a non-exclusive franchise right, and privilege for a five (5) year period, from the effective date of this ordinance, to erect, construct, maintain and operate lines, poles, wires, structures and other equipment and appurtenances and use the public streets, alleys, ways and other public servitudes within the unincorporated area of Rapides Parish, Louisiana, for the purpose of the generation, transmission, distribution and sale of electric energy all as more fully set forth in the franchise agreement and to authorize the President to sign the attached franchise agreement. It is understood and agreed that no payment for a franchise fee shall be due to the Parish by the Company for the right, privilege and franchise granted.

Mr. Richard Vanderlick stated he wanted to make sure he understood the motion and that he had promised some of his Colleague’s that he would not vote for a franchise fee.

Mr. Craig Smith stated this agreement grants Cleco, the right to use our public roads and streets without a fee.

Mr. Theodore Fountaine stated that this motion was killed in Committee and there is no way that it should be brought up again. In order to bring up something in the next Regular meeting, it has to be voted on in Committee.

Mr. Tom Wells stated it was on the agenda as a special item on a special meeting by order of the President.

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Mr. Fontaine stated that is clearly not the correct answer. This was defeated.

Discussion ensued.

Mr. Smith stated in Roberts Rules of Order, on a tie vote, it can be brought up by one of the opposing members.

Mr. Fontaine stated not one of the opposing, one of the ones who voted in favor of the item. The fact is, because there was a four to four vote, it was killed.

Mr. Smith stated if he understood the rules right, you can bring the same motion back up in a different session. This is a different session.

Mr. Wells stated that if the question is, if this is a motion to reconsider, it is not, it's not in the same session and it does not have to be brought up by a member of the prevailing side. Numerous times, this body has had Special Sessions to which items did not go through a Committee. He further stated he understood the President put this on because it is a special situation. The franchise terminates or expires this coming Monday. So, this would warrant an emergency for a special meeting.

Mr. Smith questioned Mr. Wells, if it was his opinion, that motion number one is in order, to which Mr. Wells stated yes, that is his opinion.

Mr. Sean McGlothlin stated he has gotten three Legal Opinions outside of the Jury and all three Legal Opinions say that it can't be brought back up because it died at the Committee Meetings.

Discussion ensued.

Mr. Smith stated we need to get past this motion, whether its right to have it on the floor and the opinion of our Legal Counsel, states that he believes that it is. I'm going to let it stand, to which Mr. Fontaine stated you can't do that. He stated he questioned the decision of the chair.

Mr. Smith stated for him to clarify his questioning of the chair, to which Mr. Fontaine stated we have to vote as to whether your decision is correct.

Mr. Wells stated that Mr. Fontaine is correct, to which Mr. Smith stated we need to ask this Jury yea or nay whether that this was a proper motion.

Mr. Smith asked for a roll call.

Mr. Perry questioned what they were voting on.

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Mr. Wells stated whether or not it is procedurally correct to entertain the motion. Not to vote for or against it, but entertain the motion.

Mr. Bubba Moreau stated that the question was asked of our Legal Counsel and stated it was properly added to today's agenda.

Mr. Wells stated a member of the body has questioned whether or not that is correct and whether or not the President is correct in following my advice due to these questions of parliamentary authority of the President. My understanding is the vote to affirm the Presidential rule now.

Mr. Fountaine stated it is a yes or no vote. Yes, you are going along with the idea of putting this on the agenda today, to which Mr. Moreau stated with Legal Counsels approval.

Yea: Davron "Bubba" Moreau, Richard Vanderlick, Oliver "Ollie" Overton,
Richard Billings and Craig Smith

Nay: Joe Bishop, Theodore Fountaine, Sean McGlothlin and Scott Perry, Jr.

On roll call vote, motion carried 5-4.

Mr. Vanderlick questioned Mr. Ron Smith, Legal Counsel for Cleco, if all the Parishes that they operate in, have a franchise agreement with Cleco.

Mr. Perry questioned to the degree of opposition, so far as Cleco and the franchise fee, can you give a reason why, paying a franchise fee would be detrimental to the citizens, that you claim you serve and what kind of burden would it put on Cleco.

Mr. Ron Smith stated that it was understanding of the question, why does Cleco oppose such a fee. They do not have a franchise fee with any of the Parishes they serve and he thinks they serve 26. There are no fees associated with any franchise. The other thing is, that we know that this would be a fee or tax to rural citizens and it would be passed on directly to the customers. As you know, Cleco is one of the highest utility electric facilities in the State. We are working hard to bring our rates down. We couldn't in good conscience, pass such a fee on to our citizens and that is how we look at it.

Mr. Perry asked if he was saying that by charging this franchise fee that you are going to pass it on to your clientele and can this be legally done without the Public Service Commission giving them permission to do so.

Mr. Ron Smith stated that it was his understanding that this Jury has the right to access such a fee and Cleco as a utility company could deny collecting it and we

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would deny collecting it because we would not want to pass it on to the citizens without proper representation.

Mr. Vanderlick questioned if all the Parishes that Cleco serves, everyone one of them, have a franchise agreement, to which Mr. Ron Smith stated yes, they have a Parish franchise with every Parish that they serve. No fees associated with it.

Mr. Vanderlick stated he was told they didn't have a franchise with every Parish that they serve.

Mr. Ron Smith stated it was his understanding that they have a franchise agreement with every Parish that they serve.

Mr. Vanderlick stated if the Jury votes for a franchise, they are giving up all rights to bargain with Cleco for a rate reduction. The Jury will not have any bargain power if we give Cleco a franchise. That's all.

Mr. McGlothlin question Mr. Ron Smith if they currently charged each of the accounts a 2% fee, to which Mr. Smith stated yes, that the 2% fee is an operating cost that is spread throughout the 285,000 customers they serve throughout the state.

Mr. McGlothlin stated that customers are already paying the 2% fee on their bill, to which Mr. Ron Smith stated yes.

Mr. Billings questioned if they are saying, that this would be paid by the rural people in this Parish, and Mr. Ron Smith stated that was correct. Mr. Billings further stated every Parish that you serve, you have a franchise but there is no fee attached. He also asked if he understood right that Cleco had a franchise with Rapides Parish all these years and there has never been a fee charged for them to use a public right-of-way. The rural areas of Rapides Parish are going to be the ones that have to pay this tax without representation.

Mr. Ron Smith stated yes.

Mr. Billings stated he was sorry, but we do, because the fact of it is, these fees, it don't come to us, it goes to the municipalities.

Mr. Overton stated he understood Mr. Ron Smith to say that Cleco has a freeze on increasing the rate to the customers.

Mr. Ron Smith stated yes, that was correct.

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Mr. Overton questioned how long of a period that was, to which Mr. Ron Smith stated five years, before they can go before the Louisiana Public Service Commission, until 2021, he thought for re-pricing.

Mr. Overton questioned if there was a ceiling, minimum or maximum as to how much Cleco could charge, to which Mr. Ron Smith stated that in 2021 when they go before the Louisiana Public Commission again, they can then ask if they can include certain things in the rate base, and they can approve or deny it at that point in time.

Another representative from Cleco stated he thought it was 2020.

Mr. Overton stated, for informational purposes, he just had a devastating thing to happen in one of his rural areas, that butts up to Richard Billings and Richard Vanderlick's District. Our constituents, because of fire insurance ratings going up in that area, are devastated. I think it would not be prudent for me to come back and ask them for more money because they have already been devastated, so for my colleagues I cannot see where I can vote for sticking them with another tax.

Mr. Billings called for the questioned.

A roll call vote was as follows:

Yea: Davron "Bubba" Moreau, Joe Bishop, Oliver "Ollie" Overton,
Richard Billings and Craig Smith

Nay: Theodore Fountaine, Richard Vanderlick, Sean McGlothlin and Scott
Perry, Jr.

On roll call vote, the motion carried 5-4.

Mr. Craig Smith stated that motion number one is passed, so therefore we do not have to address motion number two.

The second motion was omitted.

On motion by Mr. Richard Billings, seconded by Mr. Ollie Overton, there being no further business, the meeting was adjourned at 1:53 p.m.

Laurel Smith, Secretary
Rapides Parish Police Jury

Craig Smith, President
Rapides Parish Police Jury