

**MINUTES OF A MEETING OF THE BOARD OF DIRECTORS
OF LOUISIANA ENERGY AND POWER AUTHORITY (LEPA) HELD AT
THE OFFICES OF LEPA IN LAFAYETTE, LOUISIANA ON MARCH 15, 2018**

The members of the Board of Directors held a meeting on March 15, 2018, at the LEPA Administrative Building, 210 Venture Way, Lafayette, Louisiana after due notice of said meeting.

There were present the following directors (or alternate directors where indicated):

President Gordon Dove, Director, representing the City of Houma
Mayor Hiram Evans, Director, representing the Town of Jonesville
Mr. Terry Huval, Director, representing the City of Lafayette
Mayor Tommy Davis, Director, representing the City of Minden
Mayor Frank Grizzaffi, Director, representing the City of Morgan City
Mr. Charles Brossette, Director, representing the City of Natchitoches
Mayor Edwin "Ed" Reeves, Director, representing the City of Plaquemine
Mayor Chuck Robichaux, Director, representing the City of Rayne
Mayor Buzz Craft, Director, representing the City of Vidalia
Mayor Carolyn Louviere, Director, representing the Town of Welsh
Mayor Kiah Beville, Director, representing the Town of Winnfield

Absent:

Mayor Mark Piazza, Director, representing City of Abbeville
Mr. Michael Marcotte, Director, representing the City of Alexandria
Mayor Kirk Champagne, Director, representing the City of Kaplan
Mayor Anthony Daisy, Director, representing the City of New Roads
Mayor Thomas Nelson, Director, representing the City of St. Martinville
Mayor Kenneth Stinson, Director, representing the Town of Vinton

Non-Voting Member Present:

Mr. Cordell Grand, General Manager

The meeting was called to order and the presence of a quorum was noted. The Pledge of Allegiance was recited.

On motion by Mayor Reeves that was seconded by Mayor Davis, the Board of Directors unanimously voted to approve the Minutes of the February 15, 2018 Board Meeting.

The members of the Board attended the meeting of the Operating Committee and the Participants Committee and all three Committees jointly voted to go into Executive Session.

Attorney Jim Butler then gave a presentation with respect to the mediation and the proposed settlements between LEPA and Robins & Morton and between LEPA and Victory Energy. He reported that a sum had been agreed upon to be paid to Robins & Morton as set forth in the proposed settlement document in Members' packets. He further reported that Victory

Energy had agreed to waive payment of \$260,000 as set forth in the proposed settlement agreement between LEPA and Victory Energy. Mr. Butler reported that the proposed settlement with Robins & Morton would be comprised of a payment now by LEPA to Robins & Morton of \$1,560,000.00 in cash, plus payments totaling \$440,000 over four years, which translates to yearly payments of \$110,000 with no interest, plus a payment of \$260,000 representing the money that LEPA had withheld from Victory Energy for its allegedly defective materials and work. The proposed settlement agreements were in Members' packets. On motion by Mayor Reeves that was seconded by Mayor Craft, the Board of Directors unanimously voted to come out of Executive Session. On motion by Mayor Grizzaffi that was seconded by Mayor Evans, the Participants Committee unanimously voted to recommend to the Board of Directors that the settlements be approved. On motion by Mayor Reeves that was seconded by Mayor Craft, the Board unanimously voted to approve the settlements with Robins & Morton and Victory Energy.

General Manager Cordell Grand then reported on wholesale power costs, comparisons of which were in members' packets. He reported that January's costs were high due to the cold snap. He further reported that the price of natural gas has risen a little but it is still below \$3.00. He reported that March bills should be similar to February bills.

Assistant General Manager Kevin Bihm then gave an update on disposition of the Rodemacher Unit No. 2. He reported that there will be an outage starting March 11th that should last until March 31st. He further reported that there is no plan for a fall outage in 2018.

General Manager Grand then reported that Cleco's SSR filing regarding its Teche Unit is still in process. He further reported that the Cleco transmission line is scheduled to be completed in February of 2019.

On motion by Mayor Reeves that was seconded by Mayor Davis, the Board of Directors unanimously voted to ratify the final actions authorized by the Operating Committee at the meeting of such Committee held on February 15, 2018.

Assistant General Manager Bihm then gave an update on LEPA Unit No. 1 operations. He reported that the unit is running real well. He further reported that GE is still working on its turbine. He further reported that there will be a spring outage from April 14th through April 19th for routine maintenance and inspection by GE of its turbine.

General Manager Grand then reported on a proposed Louisiana Constitutional Amendment in House Bill 202 and Louisiana House of Representatives Bill 675, copies of which were in members' packets. General Manager Grand explained that the proposed Constitutional Amendment provides that municipalities can, but do not have to, offer discounts on utilities for senior citizens. He further reported that the Louisiana Municipal Association does not oppose it. Mr. Huval made the observation that discounts like that could be contrary to Bond Agreements.

General Manager Grand then reported on House Bill 675. He reported that it is scheduled to be heard in the House Commerce Committee on Monday, March 19th at 10:00 a.m.

There being no further business to come before the Board, on motion by Mayor Reeves that was seconded by Mayor Craft, the Board of Directors unanimously voted to adjourn the meeting.

Chairman

Secretary