

204 North Cedar Street  
Tallulah, Louisiana 71282  
Telephone (318) 574-0964  
Fax (318) 574-2773  
www.cityoftallulah.org



Charles M. Finlayson  
Mayor  
Joseph Scott  
District 1  
Lisa Houston  
District 2  
Carla Turner-Harris  
District 3  
Marjorie Day  
District 4  
Toriano Wells  
District 5

## Office of the Mayor CITY OF TALLULAH PRESS RELEASE

February 14, 2025  
FOR IMMEDIATE RELEASE  
Contact: (Mayor Charles Finlayson, 318-574-0964)

(Tallulah, Louisiana) - This week, upon motion by the court-appointed Receiver and with the consent of the Louisiana Department of Health (LDH), the 6<sup>th</sup> Judicial District Court issued a stipulated order granting the withdrawal of Bonton and Associates as the Receiver for the City of Tallulah Water System.

The Louisiana Department of Health, the Governor's Office of Homeland Security and Emergency Preparedness (GOHSEP), and the Office of the Governor reviewed the Corrective Action Plan in collaboration with the Receiver. As a result of this review, the Office of the Governor issued Executive Order 25-018, declaring a State of Emergency for the City of Tallulah Water System. The Executive Order mandates the appointment of an experienced, certified operator within three days of issuance to manage the City of Tallulah Water System during the emergency period. LDH has indicated that Magnolia Water Utility Operating Company, LLC will serve as the certified operator. Over the next two weeks, Magnolia will collaborate with the former Receiver and the employees of the Tallulah City Water Office. As was expected during the Receivership, all City Water employees are anticipated to work cooperatively with Magnolia personnel to ensure seamless operations. Representatives from Magnolia are scheduled to arrive next week and look forward to meeting city employees, council members, the Mayor and staff as they contribute to the effort to provide clear water to the City of Tallulah.

Tallulah Mayor Charles Finlayson says he will remain engaged in ongoing discussions and will provide updates to the city as more details emerge. Finlayson says it is essential to emphasize that Magnolia will work alongside existing city water employees throughout this process. The Governor's Office has reaffirmed its commitment to prioritizing clean water for Tallulah, with all costs associated with Magnolia's management of the Tallulah Water System to be covered by GOHSEP.

For any inquiries contact Tallulah City Hall at 318-574-0964. Citizens can also contact their respective councilmember, who will receive regular updates as further information becomes available.

**Water Supply Representative: Charles M. Finlayson**  
**Title: Mayor of the City of Tallulah**  
**Date: August 29, 2024**

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EXECUTIVE DEPARTMENT  
OFFICE OF THE GOVERNOR  
EXECUTIVE ORDER NUMBER JML 25-018

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*STATE OF EMERGENCY*  
*CITY OF TALLULAH WATER SYSTEM*

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**WHEREAS**, the Governor is responsible for meeting the dangers to the state and its citizens presented by emergencies and disasters;

**WHEREAS**, the Louisiana Homeland Security and Emergency Assistance and Disaster Act, La. R.S. 29:721, *et seq.*, confers upon the Governor of the State of Louisiana emergency powers to address disasters resulting from natural or man-made events that cause or threaten loss of life, injury, or property damage, as well as emergencies, which include actual or potential conditions created by such disasters, in order to ensure that preparations by the State will be adequate to deal with such emergencies or disasters and to preserve the lives and property of the people of the State of Louisiana;

**WHEREAS**, when the Governor determines that a disaster or emergency has occurred, or the threat thereof is imminent, La. R.S. 29:724(B)(1) empowers him to declare a state of emergency or disaster by executive order which has the force and effect of law;

**WHEREAS**, La. R.S. 29:724 authorizes the governor during a declared state of emergency to suspend the provisions of any state regulatory statute prescribing procedures for conducting state business, or the orders, rules, or regulations of any state agency, if strict compliance with the provision of any statute, order, rule, or regulation would in any way prevent, hinder, or delay necessary action in coping with the emergency;

**WHEREAS**, a declaration of emergency activates the state's emergency response and recovery program under the command of the director of the Governor's Office of Homeland Security and Emergency Preparedness ("GOHSEP");

**WHEREAS**, the City of Tallulah has approximately 8,601 persons that depend on the Tallulah Water System;

**WHEREAS**, the Louisiana Department of Health has determined that the Tallulah Water System is continuously at risk of failure and unable to provide safe and accessible water to the residents of Tallulah on a consistent basis;

**WHEREAS**, the failure of the Tallulah Water System would impact the health and safety of the citizens of the City of Tallulah;

**WHEREAS**, the failure of the Tallulah Water System would greatly impact the operability and sustainability of critical infrastructure within the City;

**WHEREAS**, the State of Louisiana desires to avoid the failure of the Tallulah Water System and to protect the city's citizens and critical infrastructure.

**NOW THEREFORE, I, JEFF LANDRY**, Governor of the State of Louisiana, by virtue of the authority vested by the Constitution and laws of the State of Louisiana, do hereby order and direct as follows:

**Section 1:** Pursuant to the Louisiana Homeland Security and Emergency Assistance and Disaster Act, La. R.S. 29:721 *et seq.*, and more specifically, La. R.S. 29:724, a state of emergency is hereby declared to exist within the City of Tallulah in the Parish of Madison.

**Section 2:** The Director of GOHSEP and the Louisiana Department of Health are hereby authorized to undertake any activity authorized by law deemed appropriate in response to this declaration;

**Section 3:** The Louisiana Department of Health shall identify and designate an experienced certified operator to serve as the operator for the Tallulah Water System within three days of the signing of this order.

**Section 4:** Pursuant to R.S. 29:724(D)(1), the Louisiana Procurement Code, (R.S. 39:1551, *et seq.*), and Louisiana Public Bid Law (R.S. 38:2211, *et seq.*), and their corresponding rules and regulations are hereby suspended for the purpose of the procurement of any goods or services necessary to respond to this emergency, including emergency contracts, cooperative endeavor agreements, and any other emergency amendments to existing contracts.

Section 5: All departments, commissions, boards, agencies and officers of the State, or any political subdivision thereof, are authorized and directed to cooperate in actions the State may take in response to the effects of this event.

Section 6: This Order is effective Thursday, February 13, 2025, and shall continue in effect until Saturday, March 15, 2025, unless amended, modified, terminated, or rescinded earlier by the Governor, or terminated by operation of law.



IN WITNESS WHEREOF, I have set my hand officially and caused to be affixed the Great Seal of the State of Louisiana in the City of Baton Rouge, on this 13<sup>th</sup> day of February 2025.

A handwritten signature in black ink, appearing to read "Jeff Landry", is written over a horizontal line.

Jeff Landry  
GOVERNOR OF LOUISIANA

ATTEST BY THE  
SECRETARY OF STATE

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Nancy Landry  
SECRETARY OF STATE

LOUISIANA DEPARTMENT OF HEALTH

SUIT NO. 24-179

VERSUS

SIXTH JUDICIAL DISTRICT COURT

CITY OF TALLULAH

PARISH OF MADISON

STATE OF LOUISIANA

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**MOTION TO WITHDRAW FROM RECEIVERSHIP**

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NOW INTO COURT, through undersigned counsel, comes the Court-appointed receiver for the Tallulah Water System, BONTON ASSOCIATES, who, for the reasons more fully set forth below, respectfully moves that this Honorable Court authorize Bonton Associates to withdraw as receiver and discharge Bonton Associates from and dissolve the Court-appointed receivership.

1.

On September 26, 2024, Plaintiff, Ralph L. Abraham, M.D., duly appointed Surgeon General of the Louisiana Department of Health ("LDH") and State Health Officer of the LDH Office of Public Health, and Defendant, City of Tallulah (the "City"), filed an Application for Receivership and a Joint Motion requesting that this Honorable Court grant a Stipulated Consent Judgment appointing Bonton Associates as receiver for the Tallulah Water System (the "System").

2.

On October 9, 2024, this Honorable Court granted and executed the Joint Motion for Stipulated Consent Judgment. The Stipulated Consent Judgment authorized Bonton Associates to operate and maintain the System pursuant to the requirement, stipulations, and authority of La. R.S. 40:5.9 and 5.9.1, including, to incur and pay usual and customary expenses; to withdraw as receiver upon 30-days written notice to the Court, the City, and LDH; and to submit an improvement plan to LDH no later than 90 days after appointment.

3.

On January 8, 2025, Bonton Associates submitted to LDH a Corrective Action Plan ("CAP") for its review. The CAP included a description of the Emergency Stabilization efforts undertaken on the System, recommendations regarding future governance of the System and System improvements needed to address operational deficiencies, and options to achieve long-term System sustainability. Additional details regarding the CAP can be found in Bonton Associates' Notice of Withdrawal of Receivership ("Notice of Withdrawal") (attached hereto as Exhibit 1).

4.

Bonton Associates met with LDH and other State officials on January 16, 2025, to discuss the CAP. For reasons set forth in the Notice of Withdrawal, the State determined that Bonton Associates had fulfilled its duties as receiver and requested Bonton Associates conclude the receivership over the next 30 days, including submitting the Notice of Withdrawal effective 30 days after the January 16, 2025, meeting.

5.

Pursuant to the mutual agreement of LDH and Bonton Associates, on February 3, 2025, Bonton Associates submitted its Notice of Withdrawal to this Court, the City, and LDH. The Stipulated Consent Judgment authorizes Bonton Associates to withdraw as receiver upon 30-days' written notice to the Court, the City, and LDH. However, because LDH and Bonton Associates agreed that the withdrawal should be made effective 30 days from January 16, Bonton Associates respectfully requests this Court waive the 30-day written notice requirement and make the withdrawal effective on February 17, 2025.

WHEREFORE, in accordance with the foregoing, Movers pray that this Court grant this Motion to Withdraw the Receivership.

Respectfully submitted,

PLAUCHÉ & CARR LLP



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Megan K. Terrell (#29443)  
1110 River Rd., S., Suite 200  
Baton Rouge, Louisiana 70802-8047  
Telephone No. (225) 256-4028  
Email: [megan@plauchecarr.com](mailto:megan@plauchecarr.com)

**ATTORNEYS FOR COURT-APPOINTED  
RECEIVER, BONTON ASSOCIATES**

**CERTIFICATE OF MAILING**

I hereby certify that a copy of the above and foregoing has been forwarded to all counsel of record by placing same in the U.S. Mail, postage prepaid and properly addressed, facsimile, hand delivery, electronic mail, or other electronic transmission on this 10<sup>th</sup> of February, 2025.



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Megan K. Terrell

Madison  
Marion Hopkins  
Shirley Truelove, Chief Deputy Clerk  
Suit#24-179  
E-Filed on: 2/10/25 12:47 PM  
Filed on: 2/10/25 03:21 PM  
# of Pages:1

LOUISIANA DEPARTMENT OF HEALTH  
VERSUS  
CITY OF TALLULAH

SUIT NO. 24-179  
SIXTH JUDICIAL DISTRICT COURT  
PARISH OF MADISON  
STATE OF LOUISIANA

**ORDER**

Considering the Notice of Withdrawal submitted by Bonton Associates to this Honorable Court, the City of Tallulah, and the Louisiana Department of Health ("LDH") on February 3, 2025, and pursuant to the mutual agreement of Bonton Associates and LDH,

**IT IS ORDERED** that the 30-day written notice requirement to withdraw as receiver provided in the Stipulated Consent Judgment is waived. Bonton Associates' request to withdraw as receiver of the Tallulah Water System is GRANTED and will be made effective on February 17, 2025 (the "Effective Date"). Bonton Associates shall carry out its duties as receiver, as agreed between Bonton Associates and LDH, until the Effective Date.

READ, RENDERED AND SIGNED IN CHAMBERS IN TALLULAH, MADISON  
PARISH, LOUISIANA, ON THIS 10<sup>th</sup> DAY OF February, 2025.

  
DISTRICT JUDGE

**PLEASE NOTIFY ALL COUNSEL UPON SIGNING.**

**Service will be effected pursuant to La. C.C.P. art. 1313.**



February 3, 2025

Hon. Laurie R. Brister  
Chief Judge, Division B  
Sixth Judicial District Court  
100 North Cedar Street  
Tallulah, Louisiana 71282

RE: *Louisiana Department of Health v. City of Tallulah, Sixth Judicial District Court,*  
Madison Parish, Louisiana, Docket No. 24-179

Dear Judge Brister,

On October 9, 2024, pursuant to a Joint Motion For Stipulated Judgment submitted by the Plaintiff, Louisiana Department of Health ("LDH") and Defendant, City of Tallulah, this Court issued a Stipulated Consent Judgment appointing Bonton Associates as receiver for the Tallulah Water System (the "System"). The Stipulated Consent Judgment authorizes and orders Bonton Associates to operate and maintain the System pursuant to the requirements, stipulations, and authority of La. R.S. 49:5.9 and 5.9.1, including, among other things, to incur and pay usual and customary expenses, including electricity charges, supplies and materials, and expenses for necessary repair; to withdraw as receiver upon 30-days written notice to the Court, the Defendant, and LDH; to act as fiduciary on behalf of Defendant; and to submit an improvement plan to LDH no later than 90 days after appointment.

As required by the Stipulated Consent Judgment, on January 8, 2025, Bonton Associates submitted to LDH a draft Corrective Action Plan ("CAP") for its review. The components of the draft CAP included: (1) Emergency Stabilization, (2) Governance Adjustments, (3) Baseline Reliability Improvements, and (4) Final Sustainability Improvements. Emergency Stabilization refers to the efforts implemented by the receiver and its team to address critical operational deficiencies, mitigate immediate risks to service delivery, and install and replace critical System components to further stabilize plant operations. Governance Adjustments are recommendations to ensure future sustainable management and financial accountability of the System. Recommendations for System improvements were outlined Phase I Baseline Reliability Improvements to address critical operational deficiencies and establish the foundation for future system upgrades and Phase II Final System Sustainability, which included three options to achieve long-term System sustainability.

As outlined in the draft CAP, development and implementation of the CAP faced several limitations and constraints, including funding constraints. The corrective action options in the draft CAP rely on a combination of financial mechanisms to address funding gaps and operational costs, including rate adjustments, grants, low-interest loans, and cost optimizations. Despite the availability of certain grant and loan proceeds, substantial funding gaps remain, and the rate increases present significant affordability challenges for the residents of Tallulah. Each corrective action option is anticipated to require additional funding ranging from \$17.6 - \$38.7 million by fiscal year 2026, depending on the option selected, if any.<sup>1</sup> The draft CAP also identified opportunities to create cost efficiencies to decrease operational expenses, which if implemented, could reduce costs across all options.

On January 16, Bonton Associates met with LDH and other State officials to discuss the draft CAP, including actionability of the recommended options. Based on the draft CAP, including the Emergency Stabilization efforts implemented at the water plant, and the estimated costs of the recommended options and funding restraints of the System, the State determined that Bonton Associates' duties as receiver had been fulfilled. The Stipulated Consent Judgment acknowledges that Bonton Associates' obligations were to operate the System in compliance with the relevant provisions of Title 40 of Louisiana's Revised Statutes and all LDH-issued permits and orders, "to the extent compliance with the applicable provisions is feasible given monetary constraints and the present condition of the System...." The State further requested that Bonton Associates conclude the receivership over the next 30 days by


<sup>1</sup> These estimates are based on information gathered by Bonton Associates and have not been independently confirmed by LDH at this time.

submitting a notice of withdrawal as receiver, effective 30 days after the January 16 meeting. Finally, the recommendations in the draft CAP were discussed thoroughly with the State during this meeting, and the State subsequently indicated it did not have any further feedback on the CAP.

Based on the information outlined above and pursuant to the mutual agreement of LDH and Bonton Associates, Bonton Associates submits this notice of withdrawal as receiver for the System. The Stipulated Consent Judgment authorizes Bonton Associates to withdraw as receiver upon 30-days written notice to the Court, the City, and LDH. However, because LDH and Bonton Associates agree that the withdrawal be made effective 30 days from January 16, we are requesting that the Court waive the 30-day written notice requirement and make the withdrawal effective on February 17, 2025.

Copies of this written notice of withdrawal are concurrently being submitted to the City and LDH.

Respectfully submitted,



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**Darius Bonton, P.E., MBA**  
President | Chief Executive Officer  
Bonton Associates

cc: Melissa G. Blake, LDH  
Charles M. Finlayson, Mayor, City of Tallulah  
Pamela Netterville Grady, Attorney, City of Tallulah  
Megan K. Terrell, Attorney, Plauche & Carr LLP