

MINUTES
STATE BOND COMMISSION
MEETING OF SEPTEMBER 18, 2008
COMMITTEE ROOM A
STATE CAPITOL BUILDING

The items listed on the Agenda are incorporated and considered to be a part of the minutes herein.

Treasurer Kennedy called the meeting to order. Then Ms. B. Blanchard called the roll.

MEMBERS PRESENT:

Mr. Timmy Teepell, representing Governor Bobby Jindal
Ms. Erin Wesley, representing Lt. Governor Mitch Landrieu
Secretary of State Jay Dardenne
Mr. Rick McGimsey, representing Attorney General James Caldwell
Senator John Alario, representing President Joel Chaisson
Senator Michael Michot
Senator Robert Marionneaux (arrived during discussion of Items 3-49)
Senator Lydia Jackson (arrived during discussion of Items 3-49)
Representative Stephen Pugh, representing Speaker Jim Tucker
Representative James Fannin
Representative Hunter Greene (arrived during discussion of Item 79)
Representative Karen Carter Peterson (arrived during discussion of Item 85)
Commissioner Angèle Davis
Treasurer John Kennedy

Representative Fannin moved approval of the minutes of the August 21, 2008 meeting, seconded by Representative Pugh, and without objection, the minutes were approved.

Mr. Kling provided a synopsis on Items 3 through 49, excluding Items 12, 13, 17, 22, 24, 25, 26, 28 and 41, Local Governmental Units - Elections (November 4, 2008). Representative Fannin moved approval, seconded by Representative Pugh, and without objection, Items 3 through 49, excluding Items 12, 13, 17, 22, 24, 25, 26, 28 and 41, were approved.

Mr. Kling advised Items 17 and 28 had been withdrawn before the meeting.

Mr. Kling provided a synopsis on Items 12, 13, 22, 24, 25, and 26, Local Governmental Units - Elections (November 4, 2008) and indicated the applications would be subject to preclearance by the U.S. Department of Justice by the Secretary of State's deadline. Representative Fannin moved approval, seconded by Representative Pugh, and without objection, Items 12, 13, 22, 24, 25, and 26, were approved.

Mr. Kling provided a synopsis on Item 41, Tangipahoa Parish, City of Hammond - Elections (November 4, 2008). Additional information was provided by Mayson Foster, Mayor of Hammond, and Andre Coudrain, City Attorney for Hammond. Senator Alario moved approval, seconded by Representative Pugh, and without objection, Item 41 was approved.

Mr. Kling provided a synopsis on Items 50 through 55, Local Political Subdivisions - Loans. Representative Fannin moved approval, seconded by Senator Alario, and without objection, Items 50 through 55, were approved.

Mr. Kling advised that Item 56 had been withdrawn before the meeting.

Mr. Kling provided a synopsis on Items 57 through 59, Local Political Subdivision - Bonds - Preliminary Approval. Representative Fannin moved approval, seconded by Representative Pugh, and without objection, Items 57 through 59, were approved.

Mr. Kling provided a synopsis on Item 60, Catahoula Parish, Village of Harrisonburg, Local Political Subdivision - Bonds - Final Approval. Representative Fannin moved for approval, seconded by Representative Pugh, and without objection, Item 60 was approved.

Mr. Kling provided a synopsis on Item 61, DeSoto Parish Police Jury (Southwestern Electric Power Company Project), Local Political Subdivisions - Bonds - Final Approval. Additional information was provided by Meredith Hathorn, Bond Counsel, Foley & Judell, LLP, Representative Fannin moved approval, seconded by Representative Pugh, and without objection, Item 61 was approved.

Mr. Kling provided a synopsis on Items 62 through 68, Political Subdivisions - Bonds - Final Approval. Senator Alario moved approval, seconded by Representative Pugh, and without objection, Items 62 through 68, were approved.

Mr. Kling provided a synopsis on Item 69, Tangipahoa Parish, Hospital Service District No. 1 (North Oaks Medical Center Project), Political Subdivision - Bonds - Final Approval. Representative Pugh moved for conditional approval of the entire issuance amount if the entity exercises its option to acquire the additional property and the submission of an independent appraisal to the Bond Commission staff or the reduction of issuance amount if the option to purchase additional property purchase is not exercised with written notification to be provided to the Bond Commission staff. The motion was seconded by Representative Fannin, and without objection, Item 69 was conditionally approved.

Mr. Kling provided a synopsis on Item 70, Louisiana Housing Finance Agency, State Agencies, Boards and Commissions. Representative Fannin moved approval, seconded by Senator Alario, and without objection, Item 70 was approved.

Mr. Kling advised that Item 71 would be considered later during the meeting.

Mr. Kling advised that Item 72 had been withdrawn before the meeting.

Mr. Kling provided a synopsis on Item 73, Louisiana Community Development Authority (Bercen, Inc. Project), Political Subdivision - Bonds. Representative Fannin moved approval, seconded by Representative Pugh, and without objection, Item 73 was approved.

Mr. Kling provided a synopsis on Item 74, Louisiana Community Development Authority (North Park Project), Political Subdivision - Bonds. Representative Fannin moved approval, seconded by Representative Pugh, and without objection, Item 74 was approved.

Mr. Kling advised that Items 75 and 76 would be considered later during the meeting.

Mr. Kling provided a synopsis on Item 77, Jefferson Parish Finance Authority, Public Trusts - Preliminary Approval and/or Notice of Sale. Senator Alario moved approval, seconded by Representative Fannin, and without objection, Item 77 was approved.

Mr. Kling provided a synopsis on Item 78, Lafayette Public Trust Financing Authority (Ragin Cajuns Facilities, Inc. Project), Public Trusts - Final Approval and/or Sale. Senator Michot moved approval, seconded by Senator Alario, and without objection, Item 78 was approved.

Mr. Kling provided a synopsis on Item 79, Louisiana Public Facilities Authority (CHRISTUS Health Project), Public Trusts - Final Approval and/or Sale. Representative Fannin moved approval, seconded by Representative Pugh, and without objection, Item 79 was approved.

Mr. Kling provided a synopsis on Item 80, The Finance Authority of New Orleans (Pathway to Homeownership Project), Public Trusts - Final Approval and/or Sale. Representative Fannin moved approval, seconded by Representative Pugh, and without objection, Item 80 was approved.

Mr. Kling provided a synopsis on Item 81, New Orleans Aviation Board, to amend of a prior approval granted on July 18, 2008 to reflect a change in the cost of issuance and professionals. Senator Alario moved approval, seconded by Representative Pugh, and without objection, Item 81 was approved.

Mr. Kling provided a synopsis on Item 82, Rapides Finance Authority (Cleco Power LLC Project), to amend of a prior approval granted on October 24, 2007 to reflect a change in terms and to amend the cost of issuance for the Series 2008 Bonds. Representative Fannin moved approval, seconded by Representative Pugh, and without objection, Item 82 was approved.

Mr. Kling provided a synopsis on Item 83, Louisiana Community Development Authority (Delta Campus Facilities Corporation Project), to amend of a prior approval granted on January 22, 2008 to reflect a change in the required annual financial obligations of the State related to the transaction. Additional information was provided by John Mayeaux, Sisung Securities, Vice President. Senator Alario moved for conditional approval, subject to staff's receipt, review and approval of the final form of the Trust Indenture, Loan and Assignment Agreement, Ground Lease Agreement, and Agreement to Lease with Option to Purchase; a revised maximum amount of \$42,500,000; maximum maturity of 20 years; and receipt from counsel of an explanation acceptable to staff as to the inclusion of \$20,000 of non-bond counsel services being paid from bond proceeds. The motion was seconded by Representative Pugh, and without objection, Item 83 was conditionally approved.

Mr. Kling provided a synopsis on Item 84, Louisiana Community Development Authority (LCTCS Facility Corporation Project), to amend a prior approval granted on January 22, 2008 to reflect a change in the required annual financial obligations of the State and costs of

issuance related to the transaction. Representative Fannin moved for conditional approval, subject to staff's receipt, review and approval of the final form of the Trust Indenture, Loan and Assignment Agreement, Ground Lease Agreement, and Agreement to Lease with Option to Purchase; a revised maximum amount of \$185,000,000; maximum maturity of 20 years. The motion was seconded by Representative Pugh, and without objection, Item 84 was conditionally approved.

Mr. Kling provided a synopsis of the GO Zone status report.

Mr. Kling provided a synopsis on Item 71, Louisiana Community Development Authority (SNF Holding Company Project), Political Subdivision - GO Zone - Bonds. Additional information was provided by Richard Leibowitz, Bond Counsel, Breazeale, Sachse & Wilson, LLP; Stephen Moret, Secretary, Department of Economic Development; and Brian Soucy, President of Global Environmental Solutions. Senator Marionneaux moved approval subject to a GO Zone allocation limitation of \$100,000,000, seconded by Senator Alario, and without objection, Item 71 was approved.

Mr. Kling provided a synopsis on Item 75, Louisiana Public Facilities Authority (St. Francisville Acquisition, LLC Project), Public Trusts - Preliminary Approval And/Or Notice of Sale - GO Zone - Bonds. Additional information was provided by Stephen Moret, Secretary, Department of Economic Development; Clayton Walker, Chief Technology Officer, Pan American Capital Partners; and Meredith Hathorn, Bond Counsel, Foley & Judell, LLP. Senator Alario moved approval, seconded by Representative Fannin, and without objection, Item 75 was approved.

Mr. Kling provided a synopsis on Item 76, Louisiana Public Facilities Authority (Rutter Investment Group LLC Project), Public Trusts - Final Approval And/Or Sale - GO Zone - Bonds. Additional information was provided by Stephen Moret, Secretary, Department of Economic Development. Senator Alario moved approval, seconded by Representative Fannin, and without objection, Item 76 was approved.

Mr. Kling provided a synopsis on Item 85, Lake Charles Harbor and Terminal District Revenue Bonds (Global Modular Solutions Project) - Other Business. Additional information was provided by Stephen Moret, Secretary, Department of Economic Development; Robert L. Belk, Executive Vice President, The Shaw Group, Inc.; Representative Charles Kleckley; Stuart Weatherford, President, Lake Charles City Council; and Lea Anne Lester Greco, Executive Counsel, Department of Economic Development. Senator Alario moved approval subject to a GO Zone allocation limitation of \$71,700,000, seconded by Representative Greene, and without objection, Item 85 was approved.

Mr. Kling provided a synopsis on Item 86, consideration of a resolution confirming that actions taken by the State Bond Commission with regards to elections originally scheduled for September 6, 2008 and postponed due to Hurricane Gustav are valid for the revised election date of October 4, 2008. Senator Alario moved approval, seconded by Representative Fannin, and without objection, Item 86 was approved.

Mr. Kling provided a synopsis on Item 87 relative to the Evaluation Committee's scoring and recommendations on proposals submitted in response to the August 12, 2008 Request for Proposals for Financial Advisory Services. Secretary of State Dardenne moved approval for contract to be awarded to Government Finance Associates, Inc. The motion was seconded by Representative Pugh. There was an objection to the motion by Representative Peterson on a roll call vote of 9 to 2 in favor, Item 87 was approved.

Mr. Kling provided information on the notice received from Financial Guaranty Insurance Company (FGIC); XL Capital Assurance Inc. changing the company name to Syncora Guarantee, Inc.

Mr. Kling provided information on Act No. 131 resulting from the 2008 Regular Legislative session, which impacts how items can be added to the State Bond Commission agenda.

Mr. Kling advised that a representative of Tiger State Ethanol had requested to address the Commission. Brief comments were made Mr. Charles Theus, Project Manager.

Mr. Kling provided debt service information on the Gasoline and Fuel Tax.

On the motion of the Chairman and without any objection, the meeting was adjourned.

(A verbatim transcript is available with the Bond Commission.)