

MINUTES
STATE BOND COMMISSION
MEETING OF DECEMBER 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
Lt. Governor Mitch Landrieu
Secretary of State Jay Dardenne (arrived during discussion of Item 37)
Mr. Rick McGimsey, representing Attorney General James Caldwell
Senator John Alario, representing President Joel Chaisson
Senator Michael Michot
Senator Robert Marionneaux
Senator Lydia Jackson (arrived during discussion of Item 41)
Speaker Jim Tucker
Representative James Fannin
Representative Karen Carter Peterson
Commissioner Angèle Davis
Treasurer John Kennedy

MEMBERS ABSENT:

Representative Hunter Greene

Speaker Tucker moved approval of the minutes of the November 20, 2008 meeting, seconded by Senator Alario, and without objection, the minutes were approved.

Treasurer Kennedy stated he had requested that representatives of the Jones, Walker, Waechter, Poitevent, Carrere & Denegre firm make a presentation regarding litigation issues arising from auction rate market failures, which was reflected as Item 41 on the agenda. The information was provided by Robert B. Bieck, Jr.

Mr. Kling advised Items 3 through 40 would be taken in a different order than reflected on the agenda.

Mr. Kling provided a synopsis on Item 37, consideration of the submission by the Tobacco Settlement Finance Corporation for the review and approval of the revised budget for Fiscal Year 2008-2009 and the proposed original budget for Fiscal Year 2009-2010 in accordance with the provisions of La. Revised Statute 39:99.6C. Senator Alario moved approval, seconded by Speaker Tucker, and without objection, Item 37 was approved.

Mr. Kling provided a synopsis on Item 38, to report the status on the Gasoline and Fuels Tax Revenue Bond Series 2008 and associated swap transaction.

Mr. Kling provided a synopsis on Item 39, to report the status of the competitive/dedicated pool allocations for the Gulf Opportunity Zone Act of 2005 and to discuss possible alternatives to handle the formal requests received for extensions of allocations set to expire on January 10, 2009. Speaker Tucker moved approval to utilize a resubmission process and to authorize Mr. Kling to approve the bond issuance and GO Zone allocation designation if the resubmitted application were substantially the same as previous approved applications. The motion was seconded by Senator Alario, and without objection, the motion was approved.

Mr. Kling provided a synopsis on Item 40, to provide an overview of the Hurricane Ike, Emergency Economic Stabilization Act of 2008 (GO Zone Provisions) and to discuss program parameters for consideration by the Commission.

Mr. Kling provided a synopsis on Items 3 through 13, Local Governmental Units - Elections (April 4, 2009). Additional information was provided by David Henderson, Bond Counsel, Foley & Judell, LLP on Item 10. Mr. Kling advised that action on Item 10 could be deferred until later in the meeting when additional information could be provided in response to questions that had arisen. Speaker Tucker moved approval of Items 3 through 13, excluding Item 10. The motion was seconded by Senator Alario, and without objection, Items 3 through 13, excluding Item 10, were approved.

Mr. Kling provided a synopsis on Items 14 through 21, excluding Items 15, 16, 18 and 20, Local Political Subdivisions - Loans. Speaker Tucker moved approval, seconded by Representative Fannin, and without objection Items 14 through 21, excluding Items 15, 16, 18 and 20, were approved.

Mr. Kling provided a synopsis on Item 15, East Feliciana Parish, Town of Jackson. Additional information was provided by Sidney R. Mackie, Vice President of Monroe & Corie, Inc. Consulting Engineers. Senator Marionneaux moved conditional approval, subject to the entity providing adequate supporting documentation in the form of proven cost savings and/or rate adjustments as determined by the Director necessary to meet statutory requirements. The motion was seconded by Representative Fannin, and without objection, Item 15 was conditionally approved.

Mr. Kling provided a synopsis on Item 16, Jackson, Parish, Town of Chatham. Representative Fannin moved conditional approval subject to all requirements necessary to qualify for the appropriations as contained in Act 19 of the 2008 Regular Legislative Session being fulfilled. The motion was seconded by Speaker Tucker, and without objection, Item 16 was conditionally approved.

Mr. Kling provided a synopsis on Item 18, Morehouse Parish, Hospital Service District No 1. Representative Fannin moved conditional approval subject to the debt not being incurred until January 2009. The motion was seconded by Speaker Tucker, and without objection, Item 18 was conditionally approved.

Mr. Kling provided a synopsis on Item 20, St. Charles Parish, Hospital Service District No. 1. Additional information was provided by Fred Martinez, CEO, St. Charles Parish Hospital District. Senator Alario moved conditional approval subject to the current outstanding indebtedness being retired prior to the proposed debt being incurred in 2009. The motion was seconded by Speaker Tucker, and without objection, Item 20 was conditionally approved.

Mr. Kling provided a synopsis on Item 22, Terrebonne Economic Development Authority - Buquet Distributing Company, Inc. Project. Speaker Tucker moved approval, seconded by Representative Fannin, and without objection, Item 21 was approved.

Mr. Kling advised that Item 23 had been withdrawn prior to the meeting.

Mr. Kling provided a synopsis on Item 24, Louisiana Housing Finance Agency - Belmont Village Apartments Project. Senator Alario moved approval, seconded by Speaker Tucker, and without objection, Item 24 was approved.

Mr. Kling provided a synopsis on Item 25, Louisiana Community Development Authority - Woman's Hospital Foundation Project. Speaker Tucker moved for approval, seconded by Senator Alario, and without objection, Item 25 was approved.

Mr. Kling advised that Item 26 was being withdrawn at the meeting.

Mr. Kling provided a synopsis on Item 27, Louisiana Community Development Authority - Shreveport Utility System Project. Senator Jackson moved approval, seconded by Senator Alario, and without objection, Item 27 was approved.

Mr. Kling advised that Item 28 was being withdrawn at the meeting.

Mr. Kling provided a synopsis on Item 29, Louisiana Public Facilities Authority - Student Loan Program. Additional information was provided by James W. Parks, II, President/CEO, Louisiana Public Facilities Authority and Meredith Hathorn, Bond Counsel, Foley & Judell, LLP. Speaker Tucker moved approval, seconded by Senator Alario, and without objection, Item 29 was approved.

Mr. Kling provided a synopsis on Items 30 through 36, excluding Item 34, Ratifications and/or Amendments to Prior Approvals. Additional information was provided on Item 35 by D. Andrew Owens, Regulatory Manager, Entergy Louisiana, LLC and Meredith Hathorn, Bond Counsel, Foley & Judell, LLP. Speaker Tucker moved approval, seconded by Senator Alario, and without objection, Items 30 through 36, excluding 34, were approved.

Mr. Kling provided a synopsis on Item 34, Louisiana Public Facilities Authority - Drinking Water Revolving Loan Fund Match Project. Speaker Tucker moved approval, seconded by Representative Fannin, and without objection, Item 34 was approved.

Mr. Kling stated that Item 10, St Bernard School Board, School District No. 1, will require action. Additional information was provided by David Henderson, Bond Counsel, Foley & Judell, LLP. Representative Fannin moved for approval, seconded by Speaker Tucker and without objection, Item 10 was approved.

Representative Fannin asked for a status on the Louisiana Community Technical College System application that had been deferred during the November meeting. Mr. Kling provided a synopsis. Additional information was provided by Dr. Joe May, President of LCTCS and Fred Chevalier, Bond Counsel, Jones Walker. After some discussion, it was decided additional meetings would be held with staff of the Bond Commission, the Commissioner of Administration and LCTCS representatives.

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

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