

MINUTES
STATE BOND COMMISSION
MEETING OF JANUARY 22, 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 (arrived after roll call)
Secretary of State Jay Dardenne
Mr. Rick McGimsey, representing Attorney General James Caldwell
Senator John Alario, representing President Joel Chaisson
Senator Michael Michot (arrived during discussion of Item 3)
Senator Robert Marionneaux
Senator Lydia Jackson
Speaker Jim Tucker
Representative James Fannin
Representative Hunter Greene
Representative Karen Carter Peterson
Commissioner Angèle Davis
Treasurer John Kennedy

Senator Alario moved approval of the minutes of the December 20, 2007 meeting, seconded by Speaker Tucker, and without objection, the minutes were approved.

Mr. Kling reported a change had occurred since the agenda had been posted because Item 75 had been withdrawn.

Mr. Kling provided a brief overview of the role and functions of the State Bond Commission and introduced staff. Information manuals, which contained copies of the overview information, staff listing, Constitutional and Statutory authorization for the State Bond Commission, and Constitutional and Statutory authorization for the state debt limitation and the Administrative Rules, were distributed to members of the commission.

Mr. Kling provided a synopsis on Items 4 through 31, excluding Item 12 which had been withdrawn; Item 67 and Items 71 through 74, Local Governmental Units - Elections (March 8, 2008). Speaker Tucker moved approval, seconded by Senator Alario, and without objection, Items 4 through 31, excluding Item 12 which had been withdrawn; Item 67 and Items 71 through 74 were approved.

Mr. Kling provided a synopsis on Item 76, Local Governmental Units - Elections (March 8, 2008). Representative Fannin moved approval, seconded by Senator Alario, and without objection, Item 76 was approved.

Mr. Kling provided a synopsis on Item 32, Bossier Parish School Board, Local Governmental Units/Political Subdivisions - Loans. Senator Jackson moved approval, seconded by Speaker Tucker, and without objection, Item 32, was approved.

Mr. Kling provided a synopsis on Item 33, Calcasieu Parish Policy Jury, Local Governmental Units/Political Subdivisions - Loans. Speaker Tucker moved approval, seconded by Senator Alario, and without objection, Item 33 was approved.

Mr. Kling provided a synopsis on Item 34, Calcasieu Parish, Airport District No. 1, Local Governmental Units/Political Subdivisions - Loans. Speaker Tucker moved for approval, seconded by Senator Alario, and without objection, Item 34 was approved.

Mr. Kling provided a synopsis on Item 35, DeSoto Parish Police Jury, Local Governmental Units/Political Subdivisions - Loans. Senator Jackson moved for approval, seconded by Speaker Tucker, and without objection, Item 35 was approved.

Mr. Kling provided a synopsis on Item 36, Port of Iberia District, Local Governmental Units/Political Subdivisions - Loans. Additional information was provided by Alan Offner, Foley and Judell. It was decided to defer action on this item until the end of the meeting to allow information be obtained from the Department of Transportation and Development.

Mr. Kling provided a synopsis on Item 37, Ouachita Parish, Monroe City School Board, Local Governmental Units/Political Subdivisions - Loans. Speaker Tucker moved for approval, seconded by Senator Jackson, and without objection, Item 37 was approved.

Mr. Kling provided a synopsis on Item 38, St. Tammany Parish, City of Slidell, Local Governmental Units/Political Subdivisions - Loans. Speaker Tucker moved for approval, seconded by Senator Alario, and without objection, Item 38 was approved.

Mr. Kling provided a synopsis on Items 39, Tangipahoa Parish Council, Local Governmental Units/Political Subdivisions - Loans. Additional information was provided by Richard Leibowitz, Breazeale, Sachse and Wilson, LLP. Speaker Tucker moved for conditional approval subject to the staff receiving a certified copy of a new ordinance and corrected form of promissory notes to reflect borrowing would occur under the provisions of the Economic Development Loan Program. Motion was seconded by Senator Alario, and without objection, Item 39 was conditionally approved.

Mr. Kling provided a synopsis on Items 40 and 66, Morehouse Parish, Hospital Service District No. 1, Local Governmental Units/Political Subdivisions. Additional information was provided by Wes Shafto, Breithaupt, Dunn, DuBos, Shafto and Wolleson, LLC; William E. Bourgeois, attorney for the hospital and Cheryl Faulkenberry, CEO, Morehouse General Hospital. Representative Fannin moved for approval, seconded by Senator Alario, and without objection, Items 40 and 66 were approved.

Mr. Kling provided a synopsis on Item 41, Natchitoches Parish, Waterworks District No. 2, Local Governmental Units/Political Subdivisions - Bonds - Preliminary Approval. Representative Fannin moved for approval, seconded by Speaker Tucker, and without objection, Item 41 was approved.

Mr. Kling advised that Item 42 had been withdrawn prior to meeting.

Mr. Kling provided a synopsis on Item 43, DeSoto Parish Police Jury, Local Governmental Units/Political Subdivisions - Bonds - Final Approval. Speaker Tucker moved approval, seconded by Representative Fannin, and without objection, Item 43 was approved.

Mr. Kling provided a synopsis on Item 44, Evangeline Parish, Ward Four Water District, Local Governmental Units/Political Subdivisions - Bonds - Final Approval. Senator Michot moved approval, seconded by Speaker Tucker, and without objection, Item 44 was approved.

Mr. Kling provided a synopsis on Item 45, Sabine Parish Waterworks District No. 1, Local Governmental Units/Political Subdivisions - Bonds - Final Approval. Representative Fannin moved approval, seconded by Speaker Tucker, and without objection, Item 45 was approved

Mr. Kling provided a synopsis on Item 46, Tensas Parish Communications District, Local Governmental Units/Political Subdivisions - Bonds - Final Approval. Speaker Tucker moved approval, seconded by Senator Alario, and without objection, Item 46 was approved

Mr. Kling provided a synopsis on Item 47, Vermilion Parish, Waterworks District No. 1, Local Governmental Units/Political Subdivisions - Bonds - Final Approval. Senator Michot moved approval, seconded by Senator Alario, and without objection, Item 47 was approved

Mr. Kling provided a synopsis on Item 48, Louisiana Housing Finance Agency (Ambassador Pointe Apartments Project), State Agencies, Boards and Commissions. Senator Michot moved approval, seconded by Speaker Tucker, and without objection, Item 48 was approved.

Mr. Kling provided a synopsis on Item 49, Louisiana Community Development Authority (City of Shreveport Bio-solid Disposal Project), Political Subdivisions - Bonds. Senator Alario moved approval, seconded by Representative Peterson, and without objection, Item 49 was approved.

Mr. Kling provided a synopsis on Item 50, Louisiana Community Development Authority (Delta Campus Facilities Corporation Project), Political Subdivisions - Bonds. Additional information was provided by Dr. Joe E. May, President, Louisiana Community and Technical College System. Representative Fannin moved for conditional approval subject to receipt and review by SBC staff of the executed Cooperative Endeavor Agreement. Motion was seconded by Representative Peterson, and without objection, Item 50 was conditionally approved.

Treasurer Kennedy advised the Commission that Item 78 would be heard next. Mr. Kling provided a synopsis on Item 78, Louisiana Public Facilities Authority (Southern University Foundation Southwest Center Project), - Other Business. Additional information was provided by Commissioner Mike Strain, Louisiana Department of Agriculture and Ernie Hughes, Executive Director, Southern University Foundation. Senator Marionneaux made a motion to allow reconsideration and to provide preliminary approval, which was seconded. Secretary of

State Dardenne objected to the Motion. After additional discussion Speaker Tucker provided a substitute motion to defer action on Item 78 until the two entities could meet with the Division of Administration for the purpose of determining if both facilities could be incorporated at one site. Motion was seconded by Secretary Dardenne, and without objection the substitute motion was approved and item 78 was deferred.

Mr. Kling provided a synopsis on Item 51, Louisiana Community Development Authority (Jefferson Parish Project), Political Subdivisions - Bonds. Speaker Tucker moved conditional approval contingent on receipt, review and approval by SBC staff of an adopted swap policy and copies of the related Swap Agreements. Motion was seconded by Senator Alario, and without objection, Item 51 was conditionally approved.

Mr. Kling provided a synopsis on Item 52, Industrial Development Board of the City of New Orleans (Poydras Hotels Development, LLC Project) Industrial Development Board - Preliminary Approval - GO Zone Bonds. Speaker Tucker moved for conditional approval subject to the approval of the City of New Orleans, Office of Recovery and Development Administration being received by SBC staff. Motion was seconded by Senator Alario, and without objection, Item 52 was conditionally approved.

Mr. Kling provided a synopsis on Item 53, Industrial Development Board of the City of New Orleans (New Savoy Place Phase I Project) Industrial Development Board - Preliminary Approval. Speaker Tucker moved approval, seconded by Senator Alario, and without objection, Item 52 was approved.

Mr. Kling advised that Item 54 had been withdrawn prior to meeting.

Mr. Kling provided a synopsis on Item 55, Louisiana Public Facilities Authority (American Sugar Refining, Inc. Project), Public Trusts - Preliminary Approval and/or Notice of Sale GO Zone Bonds. Senator Alario moved approval, seconded by Secretary Dardenne, and without objection, Item 55 was approved.

Mr. Kling requested that Items 56 and 57 be heard after Item 77.

Mr. Kling provided a synopsis on Item 58, Louisiana Public Facilities Authority (1) General Health System Project; (2) Baton Rouge General Medical Center Project, Public Trusts - Final Approval and/or Sale. Representative Greene moved approval, seconded by Senator Alario, and without objection, Item 58 was approved.

Mr. Kling advised that Item 59 was withdrawn prior to meeting.

Mr. Kling provided a synopsis on Item 60, Louisiana Public Facilities Authority (Starmount Life Insurance Company Project), which was a Gulf Opportunity Zone Bond project that received final approval of the State Bond Commission at the November 15, 2007 meeting prior to the submission of final documentation, inclusive bid sheet. On Item 60, Mr. Kling read in bid sheet as ratification of the prior approval. Secretary Dardenne moved approval, seconded by Senator Alario, and without objection Item 60 was approved.

Mr. Kling provided a synopsis on Items 61 and 62, Industrial Development Board of the Parish of East Baton Rouge, Louisiana, Inc. (Stupp Bros., Inc. Project), which was a Gulf Opportunity Zone Bond project that received final approval of the State Bond Commission at the November 15, 2007 meeting prior to the submission of final documentation, inclusive bid sheet. For Item 61, Mr. Kling read in bid sheet as ratification of the prior approval. Mr. Kling explained Item 62 was a technical amendment to the prior approval to recognize the bond purchaser, approved trust indenture and financial statement. Representative Greene moved approval for both items, seconded by Secretary Dardenne, and without objection Items 61 and 62 were approved.

Mr. Kling provided a synopsis on Item 63, Louisiana Community Development Authority (Perkins Rowe Project). Senator Alario moved for conditional approval contingent upon review and approval by State Bond Commission Director of the adopted swap policy, selected swap counterparty, fees, ISDA and term sheet agreements. Motion was seconded by Secretary Dardenne, and without objection Item 63 was conditionally approved.

Mr. Kling provided a synopsis on Item 64, Louisiana Public Facilities Authority (Drinking Water Revolving Loan Fund Match Project). Representative Fannin moved for conditional approval subject to bond counsel fees not exceeding the amounts authorized under an existing professional services contract. Motion was seconded by Senator Alario, and without objection Item 64 was conditionally approved.

Mr. Kling provided a synopsis on Item 65, Lafayette Economic Development Authority (Stirling Lafayette, LLC). Senator Michot moved for conditional approval subject to final costs of issuance, inclusive of total letter of credit fees, not exceeding 2.5% of the issuance size. Motion was seconded by Senator Alario, and without objection Item 65 was conditionally approved.

Mr. Kling explained Item 68 was for consideration of a resolution providing for the continuation of the Election Subcommittee of the State Bond Commission and the delegation of power and authority of the State Bond Commission to the Election Subcommittee to consider and approve or deny approval of all propositions for bond, debt or tax elections, and all other election propositions. Representative Fannin moved approval, seconded by Senator Alario, and without objection Item 68 was approved.

Mr. Kling requested Items 69 and 70 relative to Gulf Opportunity Zone Bond program be heard after the remaining agenda items.

Treasurer Kennedy stated it had been announced at the beginning of the meeting, Item 75 had been withdrawn since the agenda had been posted.

Mr. Kling provided a synopsis on Item 77, Louisiana Public Facilities Authority (Ray Brandt Project), which was a technical amendment to a prior approval to ratify change in professionals and cost of issuance. Secretary Dardenne moved approval, seconded by Senator Alario, and without objection Item 77 was approved.

Mr. Kling provided a synopsis on Items 56 and 57, Louisiana Public Facilities Authority (Louisiana Utilities Restoration Corporation-Entergy Gulf States, Inc. Project); Louisiana Public Facilities Authority (Louisiana Utilities Restoration Corporation-Entergy Louisiana, LLC Project), Public Trusts - Preliminary Approval and/or Notice of Sale. Additional information was provided by T. Michael Twomey, Vice President, Regulatory Affairs, Entergy Louisiana; Paul L. Zimmering, Special Counsel to Louisiana Public Service Commission and Bruce S. Gebhardt, Financial Advisor, Pathfinder Capital Advisors, LLC. Representative Greene moved to defer Items 56 and 57 until a special State Bond Commission meeting could be held, which would be scheduled after Louisiana Utility Recovery Corporation (LURC) first approved the applications and the new Administration had been briefed on the items. Motion was seconded by Senator Michot, and without objection, Items 56 and 57 was deferred for consideration.

On Item 69, Mr. Kling provided a brief overview and status report on the Gulf Opportunity Zone Bond program. Packets were distributed to the State Bond Commission members, which contained background information about the program as well as reports which reflected the current status of applications received and allocations approved.

On Item 70, Mr. Kling explained requests had been received from applicants asking for consideration of extensions to be granted on Gulf Opportunity Zone Bond allocations. It was explained the State Bond Commission at the December meeting had granted a 30 day extension on applications having allocations expiring before January meeting. Senator Marionneau moved to approve a 60 day extension on Gulf Opportunity Zone Bond allocations previously approved having expiration dates on February 8, February 15, and February 22. Senator Alario seconded the motion and without objection, Item 70 was approved.

Mr. Kling stated Item 36, Port of Iberia District, Local Governmental was the remaining item for consideration. Additional information was provided by Ed Preau, Assistant Secretary, Public Works. Senator Michot moved for approval, seconded by Senator Alario, and without objection, Item 36 was approved.

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

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