

MINUTES
STATE BOND COMMISSION
MEETING OF AUGUST 21, 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
Mr. Tom Schedler, representing 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 Items 17-24)
Senator Robert Marionneaux
Senator Ed Murray, representing Senator Lydia Jackson
Speaker Jim Tucker
Representative James Fannin
Representative Hunter Greene
Representative Karen Carter Peterson (arrived during discussion of Items 17-24)
Commissioner Angèle Davis
Treasurer John Kennedy

Representative Fannin moved approval of the minutes of the July 18, 2008 meeting, seconded by Senator Alario, and without objection, the minutes were approved.

Mr. Kling provided a synopsis on Items 3 through 16, excluding Items 8 and 9, Local Governmental Units - Elections (November 4, 2008). Speaker Tucker moved approval, seconded by Senator Alario, and without objection, Items 3 through 16, excluding Items 8 and 9, were approved.

Mr. Kling provided a synopsis on Item 8, Local Governmental Units - Elections (November 4, 2008). Senator Murray moved for conditional approval, subject to preclearance by the U.S. Department of Justice by the deadline set by the Secretary of State. The motion was seconded by Speaker Tucker, and without objection, Item 8, was conditionally approved.

Mr. Kling provided a synopsis on Item 9, Local Governmental Units - Elections (November 4, 2008). Speaker Tucker moved for conditional approval, subject to preclearance by the U.S. Department of Justice by the deadline set by the Secretary of State. The motion was seconded by Senator Murray, and without objection, Item 9, was conditionally approved.

Mr. Kling provided a synopsis on Items 17 through 26, less Items 25 and 26, Local Political Subdivisions - Loans. Additional information was provided on Item 26 by Patrick Reso, Attorney, Tangipahoa Parish Sheriff's Office; Tonilyn Norris, Chief Financial Office,

Tangipahoa Parish Sheriff's Office. Additional information was provided on Item 21 by Richard Liebowitz, Bond Counsel, Breazeale, Sachse & Wilson, LLP. Speaker Tucker moved approval, seconded by Senator Alario, and without objection, Items 17 through 26, less Items 25 and 26, were approved.

Mr. Kling provided a synopsis on Item 25, Orleans Parish, Port of New Orleans, Local Political Subdivisions - Loans. Additional information was provided by Meredith Hathorn, Bond Counsel, Foley & Judell, LLP. Senator Alario moved for conditional approval, subject to the adoption of the resolution by the Board of Commissioners of the Port of New Orleans on August 21, 2008. The motion was seconded by Speaker Tucker, and without objection, Item 25 was conditionally approved.

Mr. Kling provided a synopsis on Item 26, Tangipahoa Parish Law Enforcement District, Local Political Subdivisions - Loans. After discussion, Item 26 was deferred until additional information could be obtained.

Mr. Kling provided a synopsis on Item 27, Natchitoches Parish, Waterworks District No. 2, Political Subdivision - Bonds - Preliminary Approval. Representative Fannin moved for conditional approval of the Notice of Intent, subject to receipt of an executed amended USDA Letter of Commitment. The motion was seconded by Speaker Tucker, and without objection, Item 27 was conditionally approved.

Mr. Kling provided a synopsis on Items 28 through 37, excluding Items 30 and 32, Political Subdivision - Bonds - Final Approval. Representative Fannin moved for approval, seconded by Speaker Tucker, and without objection, Items 28 through 37, excluding Items 30 and 32, were approved.

Mr. Kling provided a synopsis on Item 30, Lake Charles Housing Authority (Chateau du Lac Apartments Project), Political Subdivisions - Bonds - Final Approval. Speaker Tucker moved approval, seconded by Senator Alario, and without objection, Item 30 was approved.

Mr. Kling provided a synopsis on Item 32, Jefferson Parish, Hospital Service District No. 1, Political Subdivisions - Bonds - Final Approval. Senator Alario moved for conditional approval, subject to review by SBC staff of the final swap agreement and terms prior to execution of the swap. The motion was seconded by Speaker Tucker, and without objection, Item 32 was conditionally approved.

Mr. Kling provided a synopsis on Items 38 and 39, Political Subdivisions - Bonds - Other. Senator Alario moved approval, seconded by Speaker Tucker, and without objection, Items 38 and 39 were approved.

Mr. Kling provided a synopsis on Item 40, Louisiana Community Development Authority (Perkins Rowe Project), to amend a prior approval granted on January 22, 2008 to reflect a change in the costs of issuance and professionals. Speaker Tucker moved approval, seconded by Senator Alario, and without objection, Item 40 was approved.

Mr. Kling provided a synopsis on Item 41, Louisiana Community Development Authority (Empire Truck Sales, LLC Project), to amend a prior approval granted on May 15, 2008 to reflect a change in the size of the issuance, the costs of issuance and professionals. Speaker Tucker moved for approval seconded by Senator Alario and without objection, Item 41 was approved.

Mr. Kling provided a synopsis on Item 42, Louisiana Community Development Authority (Shreveport Convention Center Hotel Project), to amend a prior approval granted on May 15, 2008 to reflect a change in the cost of issuance. Speaker Tucker moved approval, seconded by Senator Alario and without objection, Item 42 was approved.

Mr. Kling provided a synopsis on Item 43, Louisiana Community Development Authority (City of Shreveport), Political Subdivisions - Bonds. Additional information was provided by Robert Shemwell, Jr., Attorney for Weems, Schimpf, Gilsoul, Haines, Landry & Carmouche, APLC. Speaker Tucker moved for conditional approval, subject to the receipt of the certified amended resolution of issuer to include the SBC Swap Policy Language. The motion was seconded by Senator Alario and without objection, Item 43 was conditionally approved.

Mr. Kling advised Item 44 was being withdrawn at this time by the request of the entity.

Mr. Kling provided a synopsis on Item 45, Industrial Development Board of the City of New Orleans, Louisiana, Inc. (Antoine's Properties Number One, LLC Project), Industrial Development Board - Preliminary Approval - GO Zone Bonds. Additional information was provided by Stephen Moret, Secretary, Department of Economic Development; Rick Blount, CEO, Antoine's Properties Number One Project; Morris Kahn, President, Antoine's Properties Number One Project. Senator Murray moved approval, seconded by Representative Peterson and without objection, Item 45 was approved.

Mr. Kling provided a synopsis on Item 46, Industrial Development Board of the City of New Orleans, Louisiana, Inc. (Stirling Forterra, LLC Project), Industrial Development Board - Final Approval - GO Zone Bonds. Representative Peterson moved approval, seconded by Speaker Tucker, and without objection, Item 46 was approved.

Mr. Kling provided a synopsis on Item 47, Industrial Development Board of the City of New Orleans, Louisiana, Inc. (HANO Development Projects), Industrial Development Board - Final Approval. Additional information was provided by Wayne Neveu, Bond Counsel, Foley & Judell, LLP. Senator Murray moved approval, seconded by Representative Peterson, and without objection, Item 47 was approved.

Mr. Kling provided a synopsis on Item 48, Louisiana Public Facilities Authority (Rutter Investment Group 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. Speaker Tucker moved for conditional approval, subject to receipt of an amended resolution approved by issuer. The motion was seconded by Senator Alario, and without objection, Item 48 was conditionally approved.

Mr. Kling provided a synopsis on Item 49, East Baton Rouge Parish, East Baton Rouge Mortgage Finance Authority, Public Trusts - Preliminary Approval Notice and/or Sale. Representative Greene moved approval, seconded by Speaker Tucker, and without objection, Item 49 was approved.

Mr. Kling provided a synopsis on Item 50, The Finance Authority of New Orleans (Pathway to Homeownership Project), Public Trusts - Preliminary Approval Notice and/or Sale. Additional information was provided by Wayne Neveu, Bond Counsel, Foley & Judell, LLP. Speaker Tucker moved approval, seconded by Senator Alario, and without objection, Item 50 was approved.

Mr. Kling advised the requested additional information on Item 26 was available. The information was provided by Susanne Elliott, Engagement Manager, Legislative Auditor's Office. Senator Marionneaux moved approval, seconded by Mr. Schedler, and without objection, Item 26 was approved.

Mr. Kling advised Items 51 and 52 would be considered after all other items had been heard.

Mr. Kling provided a synopsis on Item 53, Board of Supervisors of Louisiana State University and Agricultural and Mechanical College, to amend a prior approval granted on May 15, 2008 to reflect a change in the costs of issuance. Representative Fannin moved approval, seconded by Senator Alario, and without objection Item 53 was approved.

Mr. Kling provided a synopsis on Item 54, Jefferson Parish School Board, to amend of a prior approval granted on March 20, 2008 to reflect a change in the costs of issuance. Representative Fannin moved approval, seconded by Senator Alario, and without objection Item 54 was approved.

Mr. Kling advised that representatives of the Tiger State Ethanol Project had made a request to address the Commission. Information regarding the project was provided by Mr. Charles D. Jones, Attorney, Tiger State Ethanol Project. Additional information was provided by Charles Theus, Manager, Tiger State Ethanol Project and Stephen Moret, Secretary, Department of Economic Development.

Mr. McGimsey provided a brief overview on litigation related to the GO Zone Bond program. Mr. McGimsey made motion to go into an Executive Session. The motion was seconded by Senator Alario. After a unanimous roll call vote, the State Bond Commission convened an Executive Session.

Upon conclusion of the Executive Session, the meeting reconvened by Ms. B. Blanchard calling the roll. After brief comments by representatives of Tiger State Ethanol, the Treasurer requested if there was a motion to add the item to the agenda for consideration. No motion was made.

Mr. Kling provided a synopsis on Item 51, consideration of Supplemental Bond Resolution No. 4 for General Obligation Variable Rate Demand Refunding Bonds, Series 2008-A. Speaker Tucker moved approval, seconded by Senator Alario, and without objection Item 51, was approved.

Mr. Kling provided a synopsis on Item 52 and requested the adoption of a resolution, with respect to the previously authorized but not exceeding principal amount of the State of Louisiana Gasoline and Fuels Tax Revenue Bonds Series 2008A. Additional information was provided by Bill Anker, Secretary, Department of Transportation; Buck Landry, Underwriter, Morgan Keegan; Fred Johnson, Government Finance Associates, Inc. (via telephone); Michael Bridges, Undersecretary, Department of Transportation; and Meredith Hathorn, Bond Counsel, Foley & Judell, LLP. Speaker Tucker made a motion for the SBC Director to be authorized to take those necessary steps for the insurance to be canceled and to take necessary steps to acquire alternative credit enhancement mechanisms related to the transaction. The motion was seconded by Senator Alario and without objection the motion was approved. Speaker Tucker made a motion for the short-term and long-term strategies for TIMED program to be developed by a committee comprised of the SBC Director, Commissioner of Administration, DOTD Secretary, President of the Senate and Speaker of the House of Representatives or their designees. The motion was seconded by Senator Alario and without objection the motion 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.)