

MINUTES  
STATE BOND COMMISSION  
MEETING OF OCTOBER 24, 2007  
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:

Dr. Jimmy Clarke, representing Governor Kathleen Blanco  
Ms. Angele Davis, representing Lt. Governor Mitch Landrieu  
Secretary of State Jay Dardenne  
Mr. Nicholas Gachassin, Jr., representing Attorney General Charles Foti  
President Donald Hines  
Senator Francis Heitmeier (arrived during discussion on Item # 16)  
Senator Ben Nevers, representing Senator Willie Mount  
Senator Joe McPherson, Jr., (arrived during discussion on Item # 8)  
Representative Yvonne Dorsey, representing Speaker Joe R. Salter  
Representative John Alario, Jr.  
Representative Taylor Townsend  
Representative Charles DeWitt  
Commissioner Jerry LeBlanc  
Treasurer John Kennedy

Representative DeWitt moved approval of the minutes of the September 20, 2007 meeting, seconded by Representative Dorsey, and without objection, the minutes were approved.

Discussion by Mr. Kling with regard to Items 3 and 4, Local Governmental Units/Political Subdivisions - Loans. Representative DeWitt moved approval, seconded by Representative Dorsey, and without objection, Items 3 and 4 were approved.

Discussion by Mr. Kling with regard to Item 5, East Baton Rouge Parish, Greater Baton Rouge Airport District; Local Governmental Units/Political Subdivisions - Loans and Item 10, East Baton Rouge Parish, City of Baton Rouge; Local Political Subdivisions - Bonds - Final Approval. Representative Dorsey moved approval, seconded by Representative DeWitt, and without objection, Items 5 and 10 were approved.

Mr. Kling advised that Item 6 had been withdrawn prior to meeting.

Discussion by Mr. Kling with regard to Items 7, Lincoln Parish, Town of Grambling; Local Political Subdivisions - Bonds - Preliminary Approval. Representative DeWitt moved for approval, seconded by Representative Dorsey, and without objection, Item 7 was approved.

Discussion was held by Mr. Kling with regard to Item 8, Caddo-Bossier Parishes Port Commission (Pratt Paper (LA), LLC Project); Local Political Subdivisions - Bonds - Final Approval. Further discussion was held by Donnie Cunningham, Crawford and Lewis.

Representative Dorsey moved to amend agenda for item to reflect resolution as adopted by Port Commission, seconded by Representative Dewitt and without objection, agenda was amended. Representative DeWitt moved for approval of item as amended, seconded by Representative Dorsey, and without objection, Item 8 was approved as amended.

Discussion was held by Mr. Kling with regard to Item 9, Catahoula Parish, Town of Jonesville; Local Political Subdivisions - Bonds - Final Approval. Representative Dorsey moved for approval, seconded by Representative Townsend, and without objection, Item 9 was approved.

Discussion was held by Mr. Kling with regard to Item 11, Richland Parish, Town of Mangham; Local Political Subdivisions - Bonds - Final Approval. Representative Dorsey moved approval, seconded by Representative Townsend, and without objection, Item 11 was approved.

Discussion was held by Mr. Kling with regard to Item 12, St. Tammany Parish, Hospital Service District No. 1, Local Political Subdivisions - Bonds - Final Approval. Representative Dorsey moved for approval conditional on SBC staff's review and approval of adopted swap policy, swap documents and terms prior to transaction closing. Motion was seconded by Representative DeWitt, and without objection, Item 12 was conditionally approved.

Discussion was held by Mr. Kling with regard to Item 13, Vernon Parish School Board, Ward Three Wardwide School District; Local Political Subdivisions - Bonds - Final Approval. Representative DeWitt moved approval, seconded by Representative Dorsey, and without objection, Item 13 was approved.

Mr. Kling advised Items 14 and 15 would be considered with Item 31 after Item 35.

Discussion was held by Mr. Kling with regard to Item 16, Board of Supervisors of Louisiana State University and Agricultural and Mechanical College; Colleges and Universities. Representative Dorsey moved for approval seconded by Representative Dewitt and without objection, Item 16 was approved.

Discussion was held by Mr. Kling with regard to Item 17, Louisiana Housing Finance Agency (Emerald Pointe Apartments Project); State Agencies, Boards and Commissions. Representative DeWitt moved approval, seconded by Representative Dorsey and without objection, Item 17 was approved.

Discussion was held by Mr. Kling with regard to Item 18, Louisiana Housing Finance Agency (Augusta Springs Project); State Agencies, Boards and Commissions. Representative DeWitt moved approval, seconded by Representative Dorsey and without objection, Item 18 was approved.

Discussion was held by Mr. Kling with regard to Item 19, Louisiana Housing Finance Agency (Mallard Crossing Apartments Project), State Agencies, Boards and Commissions. Representative Dorsey moved approval, seconded by Representative DeWitt and without objection, Item 19 was approved.

Mr. Kling advised that Item 20 had been withdrawn prior to meeting.

Discussion was held by Mr. Kling with regard to Item 21, Louisiana Community Development Authority (City of Shreveport); Political Subdivisions - Bonds. Representative DeWitt moved approval, seconded by Representative Dorsey and without objection, Item 21 was approved.

Discussion was held by Mr. Kling with regard to Item 22, Louisiana Community Development Authority (Caddo-Bossier Parishes Port Commission Project); Political Subdivisions - Bonds. Representative DeWitt moved approval, seconded by Representative Dorsey, and without objection, Item 22 was approved.

Discussion was held by Mr. Kling with regard to Item 23, Louisiana Community Development Authority (Parish of Bossier Public Improvements Project) (Pratt Paper Project); Political Subdivisions - Bonds. Representative DeWitt moved approval, seconded by Representative Dorsey, and without objection, Item 23 was approved.

Discussion was held by Mr. Kling with regard to Item 24, Industrial Development Board of the City of New Orleans, Louisiana Inc. (Nine 27 Apartments Project); Industrial Development Board - Preliminary Approval. Representative Dorsey moved approval, seconded by Representative DeWitt, and without objection, Item 24 was approved.

Mr. Kling advised that Item 25 had been withdrawn prior to meeting.

Discussion was held by Mr. Kling with regard to Item 26, Industrial Development Board of the Parish of St. Mary, Louisiana, Inc. (Calumet Properties, LLC Project); Industrial Development Board - Preliminary Approval. Representative DeWitt moved approval, seconded by Representative Dorsey, and without objection, Item 26 was approved.

Discussion was held by Mr. Kling with regard to Item 27, East Baton Rouge Mortgage Finance Authority (Mortgage-Backed Securities Program); Public Trust - Preliminary Approval and/or Notice of Sale. Representative Dorsey moved approval, seconded by Representative DeWitt, and without objection, Item 27 was approved.

Discussion was held by Mr. Kling with regard to Item 28, Rapides Finance Authority (Cleco Power, LLC Project); Public Trusts - Final Approval and/or Sale. Representative DeWitt moved approval, seconded by Representative Dorsey, and without objection, Item 28 was approved.

Discussion was held by Mr. Kling with regard to Item 29, Louisiana Public Facilities Authority (Air Products and Chemicals – 120 MMSCFD Reformer); Public Trusts -Final Approval and/or Sale. Representative DeWitt moved approval, seconded by Representative Dorsey, and without objection, Item 29 was approved.

Discussion was held by Mr. Kling with regard to Item 30, Hammond-Tangipahoa Home Mortgage Authority Single Family Mortgage Revenue Bonds; Public Trusts - Final Approval and/or Sale. Representative DeWitt moved approval, seconded by Representative Dorsey, and without objection, Item 30 was approved.

Mr. Kling advised Item 31 would be considered after Item 35 with Items 14 and 15.

Discussion was held by Mr. Kling with regard to Item 32, Finance Authority of New Orleans (Willows Apartments Project); Public Trusts - Final Approval and/or Sale. Representative Dorsey moved approval, seconded by Representative DeWitt, and without objection, Item 32 was approved.

Discussion was held by Mr. Kling with regard to Item 33, Louisiana Public Facilities Authority (CHRISTUS Health Project); Public Trust - Final Approval and/or Sale. Representative DeWitt moved approval, seconded by Representative Dorsey, and without objection, Item 33 was approved.

Discussion was held by Mr. Kling with regard to Item 34, Louisiana Public Facilities Authority (Black and Gold Facilities Project); Public Trust - Final Approval and/or Sale. Representative Dorsey moved approval, seconded by Representative Alario, and without objection, Item 34 was approved.

Discussion was held by Mr. Kling with regard to Item 35, Lafayette Public Trust Financing Authority (Mortgage-Backed Securities Program); Public Trust - Final Approval and/or Sale. Representative DeWitt moved approval, seconded by Representative Dorsey, and without objection, Item 35 was approved.

Discussion was held by Mr. Kling with regard to Item 31, Louisiana Public Facilities Authority (Hurricane Recovery Program Series 2007; Public Trusts - Final Approval and/or Sale; Item 14, Orleans Parish, City of New Orleans Cooperative Endeavor Agreement; and Item 15, Orleans Parish, Sewerage and Water Board of New Orleans Cooperative Endeavor Agreement. Further discussion was held by David Henderson, Foley and Judell and Dr. Edward Blakely, Director of Recovery Management, City of New Orleans. Representative Alario moved for approval of Items 31, 14 and 15 with approval of Item 31 being conditional on ratification by Louisiana Public Facilities Authority of the change to City of New Orleans' Cooperative Endeavor Agreement and an appraisal of the Veteran's Administration property. The motion was seconded by Representative Dorsey, and without objection, Items 14, 15 and 31 were approved, with the approval of Item 31 being conditional.

Mr. Kling advised that Items 36, 37, 38 and 39 would be considered after Item 46.

Discussion was held by Mr. Kling with regard to Item 40, Division of Administration - Office of State Purchasing; Other Business. Representative Dorsey moved approval, seconded by Representative DeWitt, and without objection Item 40 was approved.

Discussion was held by Mr. Kling with regard to Item 41, Division of Administration - Office of State Purchasing; Other Business. Representative Dorsey moved approval, seconded by Representative DeWitt, and without objection Item 41 was approved.

Discussion was held by Mr. Kling with regard to Item 42, Notification and Approval of proposed 2008 State Bond Commission meeting and deadline dates. It was noted in January the meeting will be held on January 26 due to Inauguration occurring the week of January 14. Further discussion was held by Mr. Kling with regard to Item 47, Consideration of Rescheduling

November 15, 2007 State Bond Commission meeting to an alternative date during the week of November 17 through 21, 2007. No member expressed any concern with the November meeting being held on the original date of November 15.

Discussion was held by Mr. Kling with regard to Item 43, Financial Advisory Services Contract for the extension of the contract for another year. Representative DeWitt moved approval, seconded by Representative Dorsey, and without objection, Item 43 was approved.

Discussion was held by Mr. Kling with regard to Item 44, Appointment of Trustee - LPFA Hurricane Recovery Program; Other Business. Representative Townsend moved approval, seconded by Representative Alario and Representative Dorsey, and without objection, Item 44 was approved.

Discussion was held by Mr. Kling with regard to Item 45, Louisiana Public Facilities Authority (Southern University Foundation Southwest Center Project). Further discussion of project justification was held by Leodrey Williams, Chancellor of Southern University Agricultural Center; Representative Elbert Guillory; Ernie Hughes, Executive Director, Southern University Foundation; Mayor Joseph Pitre, Washington Parish; Preston Castille, Counsel to Southern University Foundation. Consideration of Item 45 was deferred until the next meeting to allow further clarification of possible legal questions to be obtained.

Discussion was held by Mr. Kling with regard to Item 46, Lake Charles Harbor and Terminal District (Lake Charles Cogeneration, LLC) requesting a technical amendment for prior approval. Representative DeWitt moved approval, seconded by Representative Townsend, and without objection, Item 46 was approved.

Discussion was held by Mr. Kling with regard to Item 36, Rescission of Cash Lines of Credit - Priority 1; Item 37, Rescission of Cash Lines of Credit - Priority 2; Item 38, Cash Lines of Credit - Priority 2 and Item 39, Non-Cash Lines of Credit - Priority 5. Further discussion was held by Jerry Jones, Facility Planning and Control. Representative DeWitt moved approval of all Items 36 through 39 with approval on Item 39 being conditional upon the Joint Legislative Committee on the Budget approving \$4,255,000 for project number 01/107-1675. The motion was seconded by Representative Townsend, and without objection, Items 36 through 39 were approved, with the approval on Item 39 being conditional.

Discussion was held by Mr. Kling with regard to Item 48, additional projects for consideration of Priority 2 Cash Lines of Credit and Priority 5 Non-Cash Line of Credit. Further discussion was held by Jerry Jones, Facility Planning and Control; Jacques Roy, Mayor of Alexandria; Representative Israel "Bo" Curtis and Thomas David, Pan American Engineering. Consideration of Item 48 was deferred.

Discussion was held by Mr. Kling with regard to Items 49 and 50. Representative Bodi White requested deferral of Item 49. Consideration of Items 49 and 50 was deferred.

President Hines made a motion to add an item to the agenda relative to conditional approval granted to Louisiana Agricultural Finance Authority (Multiple Buildings and Equipment Projects) at the August 16, 2007 State Bond Commission meeting for which certification of the adopted resolution had not been signed. Senator Nevers seconded the motion

and without objection, the item was added to the agenda. Mr. Kling provided an overview of the issue. Further discussion was held by Commissioner Bob Odom and Ray Cornelius, Adams and Reese. President Hines moved for the resolution adopted at the August 16 meeting to be certified and released, which was seconded by Senator Nevers. Treasurer Kennedy objected and a roll call vote was taken, with the motion passing by a vote of 12 to 1.

The meeting was recessed from 1:00 p.m. to 2:00 p.m. for a lunch break.

The meeting was reconvened at the conclusion of the recess. Mr. Kling read the bid sheets for the applications relative to Public Trusts that had received final approval (Items 28 through 35).

Representative DeWitt moved to adjourn the meeting, seconded by Representative Dorsey, and without any objection, the meeting was adjourned.

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