

MINUTES
STATE BOND COMMISSION
MEETING OF DECEMBER 20, 2007
JOHN J. HAINKEL, JR. ROOM
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:

Ms. Kimberly Robinson, representing Governor Kathleen Blanco
Lieutenant Governor Mitch Landrieu
Secretary of State Jay Dardenne
Mr. Rick McGimsey, representing Attorney General Charles Foti
President Donald Hines
Senator Francis Heitmeier (arrived during discussion of agenda item 16)
Senator Robert Adley, representing Senator Willie Mount
Senator Joe McPherson, Jr. (arrived during discussion of agenda item 22)
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 November 15, 2007 meeting, seconded by Speaker Salter, and without objection, the minutes were approved.

Discussion by Mr. Kling with regard to Items 3 through 7, and Items 65 through 68, Local Governmental Units - Elections March 8, 2008. Representative DeWitt moved approval, seconded by Speaker Salter, and without objection, Items 3 through 7, and Items 65 through 68 were approved.

Discussion by Mr. Kling with regard to Item 8, Caddo Parish School Board, Local Governmental Units/Political Subdivisions - Loans. Senator Adley moved approval, seconded by Representative DeWitt, and without objection, Item 8, was approved.

Discussion by Mr. Kling with regard to Item 9, Calcasieu Parish, City of Sulphur, Governmental Units/Political Subdivisions - Loans. Representative DeWitt moved approval, seconded by Speaker Salter, and without objection, Item 9 was approved.

Discussion by Mr. Kling with regard to Item 10, Iberia Parish, Sewerage District No. 1, Local Governmental Units/Political Subdivisions - Loans. Representative DeWitt moved for approval, seconded by Speaker Salter, and without objection, Item 10 was approved.

Discussion was held by Mr. Kling with regard to Item 11, Iberia Parish Council, Local Governmental Units/Political Subdivisions - Loans. Representative DeWitt moved approval, seconded by Speaker Salter, and without objection, Item 11 was approved.

Discussion was held by Mr. Kling with regard to Item 12, Jefferson Parish, West Jefferson Levee District, Local Governmental Units/Political Subdivisions - Loans. Representative Alario moved approval, seconded by Speaker Salter, and without objection, Item 12 was approved.

Discussion was held by Mr. Kling with regard to Item 13, Jefferson Davis Parish, Fire Protection District No. 3, Local Governmental Units/Political Subdivisions - Loans. Representative Alario moved approval, seconded by Speaker Salter, and without objection, Item 13 was approved.

Discussion was held by Mr. Kling with regard to Item 14, Livingston Parish School Board, Local Governmental Units/Political Subdivisions - Loans. Representative Dewitt moved for approval, seconded by Speaker Salter, and without objection, Item 14 was approved.

Discussion was held by Mr. Kling with regard to Item 15, St. Charles Parish, Hospital Service District No. 1; Local Governmental Units/Political Subdivisions - Loans. Representative DeWitt moved for approval conditional that the proposed certificates of indebtedness will not be issued until the year 2008. Motion was seconded by Speaker Salter, and without objection, Item 15 was conditionally approved.

Discussion was held by Mr. Kling with regard to Item 16, St. John the Baptist Parish Council, Local Governmental Units/Political Subdivisions - Loans. Representative DeWitt moved approval, seconded by Speaker Salter, and without objection, Item 16 was approved.

Discussion was held by Mr. Kling with regard to Item 17, St. Tammany, Fire Protection District No. 1, Local Governmental Units/Political Subdivisions - Loans. Representative DeWitt moved approval, seconded by Speaker Salter, and without objection, Item 17 was approved.

Discussion was held by Mr. Kling with regard to Item 18, West Baton Rouge Parish Fire Protection District No. 1, Local Governmental Units/Political Subdivisions - Loans. Representative DeWitt moved for approval conditional contingent upon amending the ordinance adopted on November 5, 2007 before the delivery of the debt. Motion was seconded by Speaker Salter, and without objection, Item 18 was conditionally approved.

Mr. Kling advised that Item 19 had been withdrawn prior to meeting.

Discussion was held by Mr. Kling with regard to Item 20, Tensas Parish, Town of St. Joseph, Local Political Subdivisions - Bonds - Preliminary Approval. Representative DeWitt moved approval, seconded by Speaker Salter, and without objection, Item 20 was approved.

Mr. Kling advised that Item 21 had been withdrawn prior to meeting.

Discussion was held by Mr. Kling with regard to Item 22, Cameron Parish, Waterworks District No. Eleven, Local Political Subdivisions - Bonds - Final Approval. Representative DeWitt moved approval, seconded by Speaker Salter, and without objection, Item 22 was approved.

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

Discussion was held by Mr. Kling with regard to Item 24, Iberia Parish School Board, Parishwide School District, Local Political Subdivisions - Bonds - Final Approval. Representative DeWitt moved for approval seconded by Speaker Salter and without objection, Item 24 was approved.

Discussion was held by Mr. Kling with regard to Item 25, Jackson Parish, Town of Jonesboro; Local Political Subdivisions - Bonds - Final Approval. Representative DeWitt moved approval, seconded by Speaker Salter and without objection, Item 25 was approved.

Discussion was held by Mr. Kling with regard to Item 26, St. Tammany Parish Development District (Canterbury House II - Slidell, LLC Project); Local Political Subdivisions - Bonds - Final Approval. Representative DeWitt moved approval, seconded by Speaker Salter and without objection, Item 26 was approved.

Discussion was held by Mr. Kling with regard to Item 27, St. Tammany Parish Development District (Florida Marine Transporters, Inc. Project), Local Political Subdivisions - Bonds - Final Approval. Representative DeWitt moved approval, seconded by Speaker Salter and without objection, Item 27 was approved.

Discussion was held by Mr. Kling with regard to Item 28, St. Tammany Parish, Sub-Drainage District No. 2 of Gravity Drainage District No. 5 (Meadowbrook Subdivision), Local Political Subdivisions - Bonds - Final Approval. Representative DeWitt moved approval, seconded by Speaker Salter and without objection, Item 28 was approved.

Discussion was held by Mr. Kling with regard to Item 29, Vermilion Parish, Village of Maurice, Local Political Subdivisions - Bonds - Final Approval. Representative DeWitt moved approval, seconded by Speaker Salter and without objection, Item 29 was approved.

Discussion was held by Mr. Kling with regard to Item 30, Vernon Parish, Town of Rosepine, Local Political Subdivisions - Bonds - Final Approval. Speaker Salter moved approval, seconded by Representative DeWitt and without objection, Item 30 was approved.

Discussion was held by Mr. Kling with regard to Item 31, St. Tammany Parish Council/State of Louisiana/Rooms to Go St. Tammany Economic Development District/Rooms to Go St. Tammany, LLC, Local Political Subdivisions - Other. Representative DeWitt moved approval, seconded by Speaker Salter and without objection, Item 31 was approved.

Discussion was held by Mr. Kling with regard to Item 32, Louisiana Housing Finance Agency (The NHP Foundation Project), State Agencies, Boards and Commissions. Representative DeWitt moved approval, seconded by Speaker Salter, and without objection, Item 32 was approved.

Discussion was held by Mr. Kling with regard to Item 33, Louisiana Housing Finance Agency (Oakwood Estates Apartments Project), State Agencies, Boards and Commissions. Representative DeWitt moved approval, seconded by Speaker Salter, and without objection, Item 33 was approved.

Discussion was held by Mr. Kling with regard to Item 34, Louisiana Housing Finance Agency (Breux Bridge Broussard Apartments Project), State Agencies, Boards and Commissions. Representative DeWitt moved approval, seconded by Speaker Salter, and without objection, Item 34 was approved.

Discussion was held by Mr. Kling with regard to Item 35, Louisiana Housing Finance Agency (Candlewood Estates Apartments Project), State Agencies, Boards and Commissions. Representative DeWitt moved approval, seconded by Speaker Salter, and without objection, Item 35 was approved.

Discussion was held by Mr. Kling with regard to Item 36, Louisiana Community Development Authority (Louisiana Community and Technical College System Facility Corporation Project), Political Subdivision - Bonds. Further discussion was held by Jerry Jones, Facility Planning and Control; Senator C.D. Jones; Dr. Luke Robins, Chancellor, Louisiana Delta Community College and Fred Chevalier, Jones Walker. Senator Adley moved approval, seconded by Senator Heitmeier, and without objection, Item 36 was approved.

Mr. Kling advised that Item 37 had been withdrawn prior to meeting.

Discussion was held by Mr. Kling with regard to Item 53, Non-Cash Lines of Credit - Priority 5. Further discussion was held by Jerry Jones, Facility Planning and Control. Representative DeWitt moved approval, seconded by Speaker Salter, and without objection, this portion of Item 53 was approved.

Discussion was held by Mr. Kling with regard to Item 49, Calcasieu Parish Public Trust Authority (South Louisiana Facilities Corporation - Sowela Technical Community Classroom Project), Public Trusts - Final Approval and/or Sale. Representative DeWitt moved for approval subject to the condition that no sale shall occur until such time that SBC staff is in receipt of a complete and fully executed Cooperative Endeavor Agreement. Motion was seconded by President Hines, and without objection, Item 49 was conditionally approved.

Discussion was held by Mr. Kling with regard to Item 38, Industrial Development Board of the City of New Orleans, Louisiana, Inc. (Josephine Loft, LLC Project), Industrial Development Board - Preliminary Approval - GO Zone Bonds. Representative Alario moved approval, seconded by Representative DeWitt, and without objection, Item 38 was approved.

Discussion was held by Mr. Kling with regard to Item 39, Industrial Development Board of the City of New Orleans, Louisiana, Inc. (NOLA xStay, LLC Project), Industrial Development Board - Preliminary Approval - GO Zone Bonds. Representative Alario moved approval, seconded by Representative DeWitt, and without objection, Item 39 was approved.

Mr. Kling advised that Item 40 had been withdrawn prior to meeting.

Discussion was held by Mr. Kling with regard to Item 41, Industrial Development Board of the City of New Orleans (Carnival Hospitality, LLC Project), Industrial Development Board - Preliminary Approval - GO Zone Bonds. Representative Alario moved approval, seconded by Representative DeWitt, and without objection, Item 41 was approved.

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

Mr. Kling advised that Item 43 had been withdrawn prior to meeting.

Discussion was held by Mr. Kling with regard to Item 44, Industrial Development Board of the City of New Orleans, Louisiana, Inc. (Robert Fresh Markets Project); Industrial Development Board - Final Approval - GO Zone Bonds. Representative Alario moved approval, seconded by Representative DeWitt, and without objection, Item 44 was approved.

Discussion was held by Mr. Kling with regard to Item 45, Industrial Development Board of the City of New Orleans, Louisiana, Inc. (Nine 27 Apartments Project); Industrial Development Board - Final Approval. Representative DeWitt moved approval, seconded by Representative Alario, and without objection, Item 45 was approved.

Discussion was held by Mr. Kling with regard to Item 46, Industrial Development Board of the Parish of Jefferson Davis, Louisiana, Inc. (Zagis USA, LLC Project); Industrial Development Board - Final Approval. Representative Alario moved approval, seconded by Representative DeWitt, and without objection, Item 46 was approved.

Discussion was held by Mr. Kling with regard to Item 47, Louisiana Public Facilities Authority - (1) General Health System Project, (2) Baton Rouge General Medical Center Project, Public Trusts - Preliminary Approval and/or Notice of Sale. Representative DeWitt moved approval, seconded by Representative Alario, and without objection, Item 47 was approved.

Discussion was held by Mr. Kling with regard to Item 48, Louisiana Public Facilities Authority (The Baton Rouge Water Works Company Project), Public Trusts - Preliminary Approval and/or Notice of Sale. Representative DeWitt moved approval, seconded by Representative Alario, and without objection, Item 48 was approved.

Discussion was held by Mr. Kling with regard to Item 50, Louisiana Public Facilities Authority (Tallow Wood Apartments Project), Public Trusts - Final Approval and/or Sale. Representative DeWitt moved approval, seconded by Representative Alario, and without objection, Item 50 was approved.

Discussion was held by Mr. Kling with regard to Item 51, Louisiana Public Facilities Authority (Wright Island Apartments Project), Public Trusts - Final Approval and/or Sale. Representative DeWitt moved approval, seconded by Representative Alario, and without objection, Item 51 was approved.

Discussion was held by Mr. Kling with regard to Item 52, Louisiana Public Facilities Authority (Prompt Succor Nursing Home Project), Public Trusts - Final Approval and/or Sale. Representative DeWitt moved for approval conditional contingent on receipt, review and approval by SBC staff of an adopted swap policy and copies of related ISBA agreements and item sheets. Motion was seconded by Representative Alario, and without objection, Item 50 was conditionally approved.

Discussion was held by Mr. Kling with regard to Item 54, Louisiana Community Development Authority (ExPert E&P Consultants, LLC Project), - Other Business. Representative DeWitt moved approval, seconded by Representative Alario, and without objection Item 54 was approved.

Discussion was held by Mr. Kling with regard to Item 55, Louisiana Public Facilities Authority (Drinking Water Revolving Loan Fund Match Project), - Other Business. Representative DeWitt moved approval, seconded by Representative Alario, and without objection Item 55 was approved.

Discussion was held by Mr. Kling with regard to Item 56, a technical amendment to a prior approval for Lake Charles Harbor and Terminal District (Lake Charles Cogeneration LLC Project) to ratify a change in bond counsel. Representative DeWitt moved approval, seconded by Representative Alario, and without objection Item 56 was approved.

Discussion was held by Mr. Kling with regard to Item 57, Tobacco Settlement Finance Corporation regarding submission for the review and approval of Budgets for Fiscal Year 2007-2008 and 2008-09. Representative DeWitt moved approval, seconded by Representative Alario, and without objection Item 57 was approved.

Discussion was held by Mr. Kling with regard to Item 58, Cooperative Endeavor Agreement - Canal Place III Economic Development District/3 CP Associates, LLC and State of Louisiana. Mr. Kling advised the Commission that staff had validated the reported economic benefits of tax increment financing of the cooperative endeavor, which had received conditional approval of the State Bond Commission at the November 15, 2007 meeting.

Discussion was held by Mr. Kling with regard to Items 59 through 64 regarding Gulf Opportunity Zone Bond projects which received final approval of the State Bond Commission at the November 15, 2007 meeting prior to the submission of final documentation, inclusive of bid sheets. Mr. Kling read in bid sheets for each project as ratification of that prior approval.

Discussion was held by Mr. Kling with regard to Item 69, a technical amendment to a prior approval for Louisiana Public Facilities Authority (Spicy Girls of Avery, Island, LLC Project) to ratify a change in bond counsel. Representative DeWitt moved approval, seconded by President Hines, and without objection, Item 69 was approved.

Discussion was held by Mr. Kling with regard to Item 70, a technical amendment to a prior approval for Louisiana Public Facilities Authority (Century Wilshire, Inc Project) to ratify a change in bond counsel. Representative DeWitt moved approval, seconded by President Hines, and without objection, Item 70 was approved.

Mr. Kling provided a status report on the Gulf Opportunity Zone Bond Program, which was Item 71 on the agenda.

Discussion was held by Mr. Kling with regard to Item 73, a technical amendment to a prior approval for Morehouse Parish-Hospital Service District No. 1 to ratify a change in bond counsel. Representative DeWitt moved approval, seconded by President Hines, and without objection, Item 73 was approved.

Discussion was held by Mr. Kling with regard to Item 72, regarding request for consideration by applicants for modifications to granted GO Zone allocations. Further discussion was held by John B. Poche, Sr. Vice President Public Finance, Morgan Keegan. Representative Dewitt moved to approve an one-time 30 day extension for the GO Zone allocations previously approved having 120 day expiration dates occurring on January 8, January 9 and January 16, 2008 if the Governor's Office agreed to such an extension. Senator Heitmeier seconded the motion and without objection, the motion was approved.

Discussion was held by Mr. Kling with regard to a request made by one of the GO Zone applicants to address the Commission. Further discussion was held by Charles Theus, Tiger State Ethanol, that the project's rating had been changed subsequent to the October 24 meeting. Mr. Theus asked the Commission to approve Tiger State Ethanol for future GO Zone allocation upon availability of allocation in the competitive pool. President Hines moved to amend the agenda to add the item to the agenda for consideration. The motion was seconded by Representative DeWitt and without objection, the item was added to the agenda. President Hines moved for approval of the request made by Mr. Theus, seconded by Representative DeWitt, and without objection, the item as requested 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.)