



MINUTES
STATE BOND COMMISSION
MEETING OF FEBRUARY 18, 2010
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. W. Sittig called the roll.

MEMBERS PRESENT:

Mr. Timmy Teepell, representing Governor Bobby Jindal
Mr. Rowdy Gaudet, 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 Ed Murray, representing Senator Michael Michot
Senator Robert Adley, representing Senator Lydia Jackson
Representative Chris Hazel, representing Speaker Jim Tucker
Representative James Fannin
Representative Hunter Greene
Representative Karen Carter Peterson
Commissioner Angèle Davis
Treasurer John Kennedy

MEMBERS ABSENT:

Senator Robert Marionneaux

Representative Fannin moved approval of the minutes of the January 21, 2010 meeting, seconded by Senator Alario, and without objection, the minutes were approved.

Mr. Kling provided a synopsis on Items 3 through 29, excluding Item 27 which had been withdrawn, Local Governmental Units - Elections - May 1, 2010. Representative Fannin moved approval, seconded by Senator Alario, and without objection, Items 3 through 29, excluding Item 27, were approved. Mr. Kling reported that an Ad Hoc Elections Subcommittee meeting would be held on March 15, 2010, to handle delinquent election requests seeking to be placed on the ballot for the May 1, 2010 election date.

Mr. Kling advised that Item 30 had been withdrawn prior to the meeting.

Mr. Kling provided a synopsis on Item 31, Iberia & Vermilion Parishes, Twin Parish Port Commission. Representative Fannin moved conditional approval contingent upon receipt of the detailed property appraisal and verification by SBC staff the estimated value substantiated the memorandum of appraisal. The motion was seconded by Senator Alario, and without objection, Item 31 was conditionally approved.

Mr. Kling provided a synopsis on Item 32, La Salle Parish, Town of Olla. Additional information was provided by Wanda Love, Mayor, Town of Olla; Jeanne Wilson, Executive Vice President, Southern Heritage Bank; and David Henderson, Foley & Judell, LLC. After further discussion, it was decided representatives from the town and bank would meet with Mr. Kling and staff in the Attorney General's office to discuss alternatives and submit a revised application, including a request for retroactive approval of the initial bank loan, for consideration at an upcoming meeting.

Mr. Kling provided a synopsis on Item 33, Rapides Parish, Housing Authority of the City of Alexandria (Legacy Heights Project). Representative Hazel moved for conditional approval contingent upon adoption and subsequent verification of a subsequent resolution by the Housing Authority of the City of Alexandria to accurately define the parameters of the proposed loan, which was scheduled to be adopted on February 18, 2010. The motion was seconded by Senator Alario, and without objection, Item 33 was conditionally approved.

Mr. Kling provided a synopsis on Item 34, St. Mary Parish, Waterworks District No. 5. Representative Fannin moved approval, seconded by Senator Alario, and without objection, Item 34 was approved.

Mr. Kling provided a synopsis on Items 35 and 36, Local Political Subdivisions - Bonds - Final Approval. Senator Adley moved approval of Item 36 and conditional approval of Item 35 contingent upon verification of the subsequent certified resolution adopted by the Bossier Parish Police Jury to issue the debt utilizing the correct citation, which was scheduled to be adopted on February 17, 2010. The motion was seconded by Senator Alario and without objection, Item 36 was approved and Item 35 was conditionally approved.

Mr. Kling provided a synopsis on Item 37, Caddo Parish School Board, Parishwide School District. Representative Fannin moved approval, seconded by Senator Alario, and without objection, Item 37 was approved.

Mr. Kling provided a synopsis on Item 38, Ouachita Parish Police Jury. Additional information was provided by Jason Akers, Bond Counsel, Foley & Judell, LLC and Bill Boles, The Boles Law Firm. Representative Fannin moved approval, seconded by Senator Alario, and without objection, Item 38 was approved.

Mr. Kling advised that Items 39 and 40 had been withdrawn prior to the meeting.

Mr. Kling provided a synopsis on Item 41, Louisiana Housing Finance Agency. Senator Murray moved for approval, seconded by Senator Alario, and without objection, Item 41 was approved.

Mr. Kling provided a synopsis on Item 42, New Orleans Aviation Board (Passenger Facility Charge Project). Additional information was provided by Jarrell Godfrey, Bond Counsel, The Godfrey Firm, LLC. Senator Murray moved approval, seconded by Representative Peterson, and without objection, Item 42 was approved.

Mr. Kling provided a synopsis on Item 43, Louisiana Community Development Authority (YMCA of Northwest Louisiana Project). Representative Fannin moved approval, seconded by Senator Murray, and without objection, Item 43 was approved.

Mr. Kling provided a synopsis on Item 44, Louisiana Community Development Authority (City of Lake Charles Public Improvement Projects). Representative Fannin moved approval, seconded by Senator Alario, and without objection, Item 44 was approved.

Mr. Kling provided a synopsis on Item 45, Louisiana Community Development Authority (CWI-White Oaks Landfill, LLC Project). Representative Fannin moved approval, seconded by Senator Alario, and without objection, Item 45 was approved.

Mr. Kling provided a synopsis on Item 46, Louisiana Public Facilities Authority (Air Products and Chemicals, Steam Methane Reformer Baton Rouge Project). Representatives Fannin and Greene moved for approval seconded by Senator Alario and without objection, Item 46 was approved.

Mr. Kling provided a synopsis on Item 47, Louisiana Public Facilities Authority (Tulane University of Louisiana Project). Senator Alario 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 (Loyola University Project). Senator Murray moved approval, seconded by Representative Peterson and without objection, Item 48 was approved.

Mr. Kling provided a synopsis on Item 49, St. James Parish Council (Louisiana Sugar Refining Project). It was discussed that additional information should be required to justify supplemental approval requests for increased costs over 10%. The Commission directed SBC staff to provide actual cost of issuance documents submitted by bond counsels in presenting such amendments. It was decided to defer action for requests to amend cost of issuances on Items 49, 51 and 52 until the justification and documentation could be provided at an upcoming meeting.

Mr. Kling provided a synopsis on Item 50, East Baton Rouge Parish, City of Baton Rouge. Representative Fannin moved approval, seconded by Senator Adley and without objection, Item 50 was approved.

Mr. Kling provided a synopsis on Item 53, Louisiana Public Facilities Authority, Drinking Water Revolving Loan Fund Match Project. Representative Fannin moved approval, seconded by Senator Alario, and without objection, Item 53 was approved.

Mr. Kling provided a synopsis on Item 54, (a) review and approval of the Cooperative Endeavor Agreements between Tobacco Settlement Finance Corporation (TSFC) and the Department of Treasury and a Cooperative Endeavor Agreement between the TSFC and the Department of Justice for the fiscal years 2009-2010 and 2010-2011; (b) a contract for litigation representation in a securities bankruptcy proceedings, specifically in the matter of Lehman Brothers, Inc., Case No. 08-01420 (JM) SIPA, USBC, Southern District of New York; and (c) review and approval of the revised Budget for Fiscal Year 2009-2010 and proposed original budget for Fiscal Year 2010-2011. Representative Fannin moved approval of the Cooperative Endeavor Agreements listed as (a) above, seconded by Senator Alario, and without objection, the cooperative endeavor was approved. Representative Fannin moved approval of the contract for litigation representation listed as (b) above, seconded by Senator Alario, and without objection, the contract was approved. Representative Fannin moved approval of the budgets listed as (c) above, seconded by Senator Alario, and without objection, the budgets were approved.

Mr. Kling provided a synopsis on Item 55, Net State Tax Supported Debt (NSTSD) Report and the Debt Limit Rule of the State Bond Commission. It was stated there was no requirement for the Commission to adopt the report as presented.

Mr. Kling provided a synopsis on Item 56 for consideration of authorization to staff, in conjunction with the state's Financial Advisor, to proceed with the development of a General Obligation Refunding Bond issue, in either a competitive or negotiated structure, in one or more series in order to secure debt service savings and if necessary to proceed with the development and issuance of a Solicitation for Offers for obtaining underwrites and bond counsel for the purpose of bond placement. Additional information was provided via conference call with Freda Johnson, Financial Advisor, Government Finance Associates, Inc. It was decided to utilize the rotation (Adams and Reese and The Long Law Firm) approved by the Commission on November 20, 2008 to provide bond counsel services on the refunding issue. Representative Fannin moved approval, seconded by Senator Alario, and without objection, Item 56 was approved.

Mr. Kling provided a synopsis on Item 57 for consideration of authorization to staff, in conjunction with the state's Financial Advisor, to develop and solicit financing alternatives related to restructuring alternatives for the State of Louisiana Gasoline and Fuels Tax Revenue Bonds, Series 2009A-1 and S009A-2, and if necessary to proceed with the development and solicitation for Offers for obtaining underwriters and bond counsel for the purpose of bond placement. Additional information was provided via conference call from Freda Johnson and Chester Johnson, Financial Advisor, Government Finance Associates, Inc. In order to move quickly on developing the alternatives, it was decided to appoint the law firm (Foley Judell), which had been utilized on the 2009 series, to provide bond counsel services. Foley Representative Fannin moved approval, seconded by Senator Alario, and without objection, Item 57 was approved.

Mr. Kling stated that Item 58 was a presentation related to request by Department of Transportation and Development to obtain additional bond funding associated with the Transportation Infrastructure Model for Economic Development (TIMED) Program. Information was provided by Michael Bridges, Undersecretary, Department of Transportation & Development and Sherri LeBas, Interim Secretary, Department of Transportation & Development.

Mr. Kling provided a synopsis on Item 59 for consideration of authorization to staff, in conjunction with the state's Financial Advisor, to develop and solicit financing alternatives associated with the issuance of the Gasoline and Fuels Tax Revenue Bonds Series 2010 and if necessary to develop Solicitation for Offers for obtaining underwriters and bond counsel for the purpose of selling revenue bonds (Gasoline and Fuels Tax Series 2010). Additional information was provided via conference call from Freda Johnson, Financial Advisor, Government Finance Associates, Inc. It was decided the underwriter and bond counsel services to be provided for the issue would be determined through the Solicitation for Offers process with the Evaluation Team being comprised of representation from Treasury, Attorney General's Office, Division of Administration, Senate and House of Representatives. Representative Fannin moved approval, seconded by Senator Alario, and without objection, Item 59 was approved.

Mr. Kling stated that Item 60 was a consideration of a request submitted by Facility Planning and Control, Office of the Governor, for the rescission of \$300,000 of a previously

approved project (50-NGF) contained in Priority 5 of the current Capital Outlay Act (Act 20 of the 2009 Regular Legislative Session). Representative Fannin moved approval, seconded by Senator Alario, and without objection, Item 60 was approved for the rescission of the line of credit.

On the motion of Representative Fannin, seconded by Senator Alario and without any objection, the meeting was adjourned.

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