



MINUTES
STATE BOND COMMISSION
MEETING OF MARCH 15, 2012
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. A. Hvezda called the roll.

MEMBERS PRESENT:

Mr. Stephen Waguespack, representing Governor Bobby Jindal
Secretary of State Tom Schedler
Mr. Rick McGimsey, representing Attorney General James Caldwell
President John Alario
Senator Ed Murray, representing Senator Jack Donahue
Senator Neil Riser
Senator John Smith
Speaker Charles Kleckley (arrived during discussion of item 5)
Representative James Fannin
Representative Joel Robideaux
Representative Cameron Henry (arrived during discussion of item 5)
Commissioner Paul Rainwater
Treasurer John Kennedy

MEMBERS ABSENT:

Lt. Governor Jay Dardenne

Representative Fannin moved approval of the minutes of the March 1, 2012 meeting, seconded by Senator Murray, and without objection, the minutes were approved.

Mr. Kling provided a synopsis on Item 3, Acadia Parish, Village of Estherwood. Representative Fannin moved approval, seconded by President Alario, and without objection, Item 3 was approved.

Mr. Kling provided a synopsis on Item 4, Avoyelles Parish, Hospital Service District No. 1. Representative Fannin moved approval, seconded by President Alario, and without objection, Item 4 was approved.

Mr. Kling advised Items 22 and 23 would be considered in a different order than reflected on the agenda.

Mr. Kling provided a synopsis on Items 5, 22, and 23, Morehouse Parish, Hospital Service District No. 1. Additional information was provided by Wesley Shafto, Bond Counsel, Breithaupt, Dunn, DuBos, Shafto and Wolleson, LLC and Jim Allbritton, Chief Financial Officer, Morehouse Parish Hospital Service District No. 1. Representative Robideaux moved approval with Items 5 and 22 contingent upon verification of the certified resolution adopted by the Morehouse Parish Police Jury authorizing the incurrence of the debt, which was adopted on March 12, 2012 and approval of Item 23 unconditionally. The motion was seconded by Senator Murray, and without objection, Items 5, 22, and 23 were approved.

Mr. Kling provided a synopsis on Item 6, Orleans Parish, Southeast Flood Protection Authority West, Algiers Levee District. Senator Murray moved approval, seconded by Representative Fannin, and without objection, Item 6 was approved.

Mr. Kling provided a synopsis on Item 7, Vernon Parish School Board. Representative Fannin moved approval, seconded by Senator Murray, and without objection, Item 7 was approved.

Mr. Kling provided a synopsis on Item 8, Vernon Parish, City of Leesville. Senator Smith moved for conditional approval contingent upon (1) verification of the certified ordinance adopted by the City of Leesville authorizing the incurrence of the debt, which was adopted on February 13, 2012 and (2) adoption and subsequent verification of an amended ordinance by the City of Leesville to include SBC Swap Policy language, citation and security for the requested loan, which is scheduled to be adopted on March 26, 2012. The motion was seconded by Representative Fannin, and without objection, Item 8 was conditionally approved.

Mr. Kling provided a synopsis on Item 9, Washington Parish, City of Bogalusa. Additional information was provided by Mayor Charles E. Mizell, City of Bogalusa. Representative Fannin moved approval, seconded by Senator Murray, and without objection, Item 9 was approved.

Mr. Kling advised Items 11, 14, 15, 17, 18, 19, and 24 through 27 would be considered in a different order than reflected on the agenda.

Mr. Kling provided a synopsis on Items 11, 14, 15, 17, 18, 19, and 24 through 27. Representative Fannin moved approval, seconded by Senator Murray, and without objection, Items 11, 14, 15, 17, 18, 19, and 24 through 27 were approved.

Mr. Kling provided a synopsis on Item 10, Bossier Parish Police Jury (DEQ Project). Representative Fannin moved approval, seconded by Senator Murray, and without objection, Item 10 was approved.

Mr. Kling provided a synopsis on Item 12, Catahoula Parish, Town of Jonesville. Representative Fannin moved approval, seconded by Senator Murray, and without objection, Item 12 was approved.

Mr. Kling provided a synopsis on Item 13, DeSoto Parish School Board. Representative Fannin moved approval, seconded by President Alario, and without objection, Item 13 was approved.

Mr. Kling provided a synopsis on Item 16, Jefferson Parish, City of Kenner, Kenner Consolidated Sewerage District. President Alario moved approval, seconded by Representative Fannin, and without objection, Item 16 was approved.

Mr. Kling provided a synopsis on Item 20, Lafayette Parish, City of Scott. Representative Robideaux moved approval, seconded by President Alario, and without objection, Item 20 was approved.

Mr. Kling provided a synopsis on Item 21, Lafayette Parish, City of Youngsville Sales, Youngsville Tax District No. 1. Representative Robideaux moved approval, seconded by President Alario, and without objection, Item 21 was approved.

Mr. Kling provided a synopsis on Item 28, West Feliciana Parish Police Jury. Representative Fannin moved approval, seconded by President Alario, and without objection, Item

28 was approved.

Mr. Kling provided a synopsis on Item 29, Louisiana Community Development Authority (BRCC Facilities Corporation Project). Speaker Kleckley moved approval, seconded by President Alario, and without objection, Item 29 was approved.

Mr. Kling provided a synopsis on Item 30, Louisiana Public Facilities Authority (Lafayette General Medical Center Project). Representative Robideaux moved approval, seconded by President Alario, and without objection, Item 30 was approved.

Mr. Kling provided a synopsis on Item 31, Louisiana Public Facilities Authority (Clean Water State Revolving Fund Match Program). Speaker Kleckley moved approval, seconded by President Alario, and without objection, Item 31 was approved.

Mr. Kling provided a synopsis on Items 32 through 48, Ratifications and/or Amendments to Prior Approvals. Additional Information was provided by Fred Chevalier, Bond Counsel, Jones Walker, Waechter, Poitevent, Carrere & Denegre LLP. Speaker Kleckley moved approval of Items 32 through 48, excluding Item 43, with Item 39 contingent upon verification of the amended certified resolution adopted by the Washington Parish Communications District authorizing the addition of Co-Bond Counsel, which was adopted on March 6, 2012. The motion was seconded by President Alario, and without objection, Items 32 through 48, excluding Item 43, were approved.

After further discussion on Item 43, Louisiana Office Facilities Corporation, Fred Chevalier, Bond Counsel, Jones Walker, provided additional information. President Alario moved for conditional approval contingent upon the Director negotiating and authorizing the required costs of issuance to be disbursed with the remaining costs of issuance to be brought back to the Commission for approval at the April 19, 2012 meeting prior to the disbursement being made. The motion was seconded by Speaker Kleckley, and without objection, Item 43 was conditionally approved.

Mr. Kling provided a synopsis on Item 49, Rescission of a previously approved Certificates of Impossibility and Impracticality - Priority 1; Item 50, Cash Lines of Credit - Priority 1; Item 51 Cash Lines of Credit - Priority 2; and Item 52, Non-Cash Lines of Credit - Priority 5. Commissioner Rainwater moved approval of Items 50 through 52, seconded by Speaker Kleckley, and without objection, Items 50 through 52 were approved.

Mr. Kling provided a synopsis on Item 53, Natchitoches Parish School Board, Consolidated School District No. 10. Additional information was provided by John Laborde, Director of Business Affairs, Natchitoches Parish School Board. Representative Robideaux moved approval, seconded by President Alario, and without objection, Item 53 was approved.

Mr. Kling advised Item 60 would be considered in a different order than reflected on the agenda.

Mr. Kling provided a synopsis for Item 60, Acadia Parish, City of Crowley, and stated that an agenda change was needed to reflect a change in the beginning date of the ½% sales from June 1, 2012 to July 1, 2012. Representative Robideaux moved to amend the agenda for the stated terms. The motion was seconded by Speaker Kleckley, and without objection, the agenda was amended. Additional information was provided by Mayor Greg A. Jones, City of Crowley. Speaker Kleckley Speaker Kleckley moved approval of the amended item, seconded by President Alario, and without objection, the amended item was approved.

Mr. Kling returned to clarify the previous motion on Items 50 through 52 should have included Item 49, Certificates of Impossibility or Impracticality - Priority 1. Speaker Kleckley moved approval of Item 49, seconded by President Alario, and without objection, Item 49 was approved.

Mr. Kling provided a synopsis on Items 54 and 55, a submission by the Tobacco Settlement Financing corporation for the consideration, review and approval of (1) Cooperative Endeavor Agreements between the TSFC and Department of Treasury and a Cooperative Endeavor Agreement between the TSFC and Department of Justice for the fiscal year 2011-2012; (2) contract between TSFC and Omnicap Corporation for the period November 1, 2011 through October 31, 2012; (3) contract expenses associated with Hawkins Delafield; (4) a revised Budget for Fiscal Year 2010-2012; (5) an amended Budget for Fiscal Year 2011-2012; and (6) an original Budget for Fiscal Year 2012-2013. Speaker Kleckley moved approval, seconded by President Alario, and without objection, Items 54 and 55 were approved.

Mr. Kling provided a synopsis on Item 56 relative to receipt of Evaluation Team Grading and recommendation for selection of Underwriters in response to the Solicitation for Offers for Underwriting Proposals for Gasoline and Fuels Tax Revenue Refunding Bonds, Series 2012B. Representative Fannin moved approval to accept recommendations of Citigroup Global Markets Inc. as Senior Managing Underwriter and Dorsey & Company Inc., Jefferies & Company, Inc., Loop Capital Markets, Morgan Keegan & Company, and Stephens Inc. as Co-Managing Underwriters. The motion was seconded by President Alario, and without objection, the selected Underwriters were approved.

Mr. Kling advised Item 57 would be considered in a different order than reflected on the agenda.

Mr. Kling provided a synopsis on Item 58 relative to a Post-Issuance Tax Compliance Policy for Tax-Exempt Obligations for State of Louisiana \$400,00,000 General Obligation Bonds, Series 2012-A and \$43,825,000 General Obligation Bonds, Series 2012-B and ongoing authorization to provide similar certifications on prior and future bond issuances. Representative Fannin moved approval, seconded by President Alario, and without objection, Item 58 was approved.

Mr. Kling provided a synopsis on Item 59, Concordia Parish, Parishwide Hospital Service District. Representative Fannin moved approval, seconded by President Alario, and without objection, Item 59 was approved.

Mr. Kling provided a synopsis on Item 57 relative to the consideration and adoption of a resolution authorizing the Chairman and/or Director of the State Bond Commission to take certain actions with respect to certain Interest Rate Swap Agreements related to the State of Louisiana's (1) Taxable Gasoline and Fuels Tax Second Lien Revenue Bonds (Build America Bonds) 2009 Series A-3 and (2) State of Louisiana's Taxable Gasoline and Fuels Tax Second Lien Revenue Bonds (Build America Bonds) 2009 Series A-4; authorization of any amendments or supplements necessary to novate such Interest Rate Swap Agreements; and authorization by the Chairman and/or Director to execute and deliver all related instruments, documents and certificates which may be necessary, convenient or appropriate to effectuate the aforesaid changes with respect to the aforesaid swap agreements; and providing for other matters in connection with the foregoing. Representative Fannin moved approval, seconded by President Alario, and without objection, Item 57 was approved.

Senator Murray requested the consideration of a previously approved application related to the City of St. Gabriel. Treasurer Kennedy provided a synopsis of the issues with additional information provided by Lela Folse, Assistant Director, State Bond Commission. Further information was provided by Daniel Davillier, Co-Bond Counsel, Davillier Law Group, LLC, Steve Dicharry, Executive Director, Louisiana Community Development Authority, and Donnie Cunningham, Bond Counsel, Crawford Lewis, PLLC. After further discussion Treasurer Kennedy requested the professionals meet with Jim Napper, Executive Counsel, Department of the Treasury, to help facilitate an agreement between the professionals.

Additional discussion transpired regarding Item 43, Louisiana Office Facilities Corporation.

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

A verbatim transcript is available with the Bond Commission.