

LOUISIANA AGRICULTURAL FINANCE AUTHORITY (LAFA)

September 17, 2013

10:00 AM

Veterans Memorial Auditorium

5825 Florida Boulevard

Baton Rouge, LA 70806

CALL TO ORDER

The meeting was called to order by the Chairman, Louisiana Department of Agriculture and Forestry (LDAF) Commissioner Mike Strain at 10:00 AM.

ROLL CALL

The roll was called by Melanie Tullier.

Present: Commissioner Strain, Ted Gauthier, William Hawkins, H. Marcell Parker, Jr., William Stutts, Calvin Viator, and Wilbert Waguespack

Absent: Richard Muller and Linda Zaunbrecher

Mrs. Tullier stated seven members were present and there was a quorum.

PUBLIC COMMENTS

There were no public comments.

APPROVAL OF MINUTES FROM PREVIOUS MEETING

Commissioner Strain asked the Authority members to review the minutes from the June 14, 2013, meeting.

Motion: A motion was made by Mr. Parker to approve the minutes from the June 14, 2013, meeting. It was seconded by Mr. Waguespack, and passed unanimously.

REVIEW OF FINANCIAL STATEMENTS

Mrs. Catrina Irvin presented LAFA's Financial Statement to the board and answered the members' questions.

Motion: A motion was made by Mr. Viator to accept the Financial Statements. It was seconded by Mr. Hawkins, and passed unanimously.

COMMISSIONER'S REPORT

- Mr. Simon updated the board on the status of the sewerage upgrade noting that nothing material had changed. He assured the board that he will bring the subject to the board before it goes to the bid process.
- Mr. Simon stated that the current lease with Andean Chemical end on October 8, 2013. They began moving equipment off of the location on September 16, 2013.
- Steve Rotenberg with Louisiana Chemical updated the board on the sale of the Lacassine facility. The purchase agreement with Gloria was signed on August 2, 2013, and the closing is planned to happen late October, or early November 2013. The sale price was \$7 million.
- Mr. Simon updated the board that the equipment located at the Roseland Sawmill was sold for \$340,000, with a net sale price of \$304,000 for LAFA. LAFA has sold \$10,000 worth of scrap iron in addition to approximately \$70,000 of rolling stock from the Roseland Sawmill property.

A motion was made by Mr. Stutts to accept the Commissioner's Report. It was seconded by Mr. Waguespack and approved unanimously.

OLD BUSINESS

Property Transfer of Roseland Saw Mill to Louisiana National Guard in Exchange of 57 Acres in St. Tammany Parish

Mrs. Dupree stated that we are currently waiting on the National Guard to obtain a property description and survey of the property in order to obtain a waiver to have the land transferred to LAFA. The Louisiana National Guard is currently using the land at the Roseland Cypress Mill and is continuing to make improvements to the land.

Lacassine Industrial Park Mineral Lease

There were no bids submitted to the Mineral Board for the Lacassine Industrial Park property.

Lease of a Portion of the LAFA Owned Opelousas Building to the Louisiana State Police

Mr. Simon updated the board that the Louisiana State Police are no longer pursuing the option of leasing a portion of the Opelousas building.

A motion was made by Mr. Viator to accept all old business. It was seconded by Mr. Hawkins, and approved unanimously.

NEW BUSINESS

Long Term Lease of the Lacassine Syrup Mill Site

Porocel and Deep South Crane came before the board to present proposals and answered any related questions for the use of a portion of the Lacassine Industrial Park. The board requested that LAFA place an advertisement in local newspapers announcing the leasing of the property.

The board will make a decision on a long term lease at a later meeting.

Discussion and Strategy on the Lawsuit Involving LAFA

**Louisiana Agricultural Finance Authority, et al v. Lake Charles Cane –
Lacassine Mill, LLC, 31st JDC, Jefferson Davis Parish, Docket No. C-356-13**

A deficiency judgment has been awarded for \$73 million against Lake Charles Cane – Lacassine Mill, LLC. LAFA will now attempt to collect on the debt. LAFA has filed a Judgment Debtor Rule in Jefferson Davis Parish to possibly discover any assets which may be able to be used in the judgment.

Use of Funds from the Sale of Lacassine Equipment to Pay Down Debt

The board voted unanimously to expand the agenda to discuss the use of funds from the sale of the Lacassine Equipment.

Mr. Viator made a motion to grant the Commissioner permission to proceed with negotiations with Capital One to pay on the \$6.7 million bond with the proceeds from the sale of the Lacassine equipment. Mr. Hawkins seconded the motion, and it was passed unanimously by the board.

PUBLIC COMMENTS

Ms. Marion Fox, Jefferson Davis Parish Economic Development, stated that her department is currently pursuing a study on the cost and supplies needed to upgrade the water and sewer capabilities at the Lacassine Industrial Park.

ADJOURNMENT

A motion was made by Mrs. Hawkins to adjourn the meeting. It was seconded by Mr. Viator and passed unanimously. The meeting adjourned at 11:57 AM.