

**MINUTES OF MEETING OF
THE BOARD OF DIRECTORS OF
LOUISIANA CORRECTIONAL FACILITIES CORPORATION
TUESDAY, OCTOBER 30, 2018**

A meeting of the Board of the Louisiana Correctional Facilities Corporation (“LCFC”) was duly called and held on Tuesday, October 30, 2018 in the Third Floor Center Conference Room of Jones Walker LLP, Four United Plaza, 8555 United Plaza Boulevard, Baton Rouge, Louisiana 70809-7000, pursuant to due notice having been given according to Louisiana Public Meetings Law.

The following members were present:

Mr. Ted Riser
Mr. Tom C. Bickham, III
Mr. Rhett Covington

The following member was absent:

None

Also present:

Mr. Billy Breland, Maintenance and Corrections Director –
Department of Public Safety & Corrections
Dr. James Bueche – Deputy Secretary, Office of Juvenile Justice
Mr. Rick McGimsey – Executive Counsel, Department of
Administration
Mr. Matt Kern– Jones Walker LLP
Mr. Fred Chevalier – Jones Walker LLP
Ms. Katharine Herbert – Jones Walker LLP
Ms. Patti Dunbar – Jones Walker LLP
Mr. John Mayeaux – Sisung Securities
Mr. Charlie Sides - Stifel, Nicolaus & Company, Incorporated

Item 1 – Call to Order

The meeting was called to order by Mr. Riser. Mr. Riser called roll and noted that a quorum was present and that the Board could conduct its business.

Item 2 - Approval of Minutes of the Board Meeting from March 20, 2018

Motion was made for the approval of minutes from the Board meeting of March 20, 2018 by Mr. Bickham. The Motion was seconded by Mr. Riser and the Motion passed by unanimous vote.

Item 3 - Update on LCFC Finances (review of bank statements)

No Bank of New York representatives were present at the meeting so Mr. Kern stated that he had reviewed the bank statements and that it was all routine activity. He also noted that the Tallulah bonds are set to mature in September 2019. He also stated that there is a small balance left in the Prison Enterprise project fund. Ms. Dunbar had Mr. Riser sign a completion certificate so that this account can be closed and the balance can be transferred to the Interest Account of the Bond Fund as required by the Indenture.

Item 4 – Discussion regarding LCFC bank account at JP Morgan Chase Bank and consideration of closing account

Mr. Kern explained that we had recently become aware of a JP Morgan Chase Bank account in the name of LCFC (Account No. 645888289). This is a long dormant account that no one has been able to determine its purpose or origin. He suggested that this account be closed and the balance transferred to the Bank of New York Administrative Expense Fund. Motion was made to close the JP Morgan Chase account and transfer the funds to the Bank of New York Administrative Expense Fund by Mr. Bickham. The Motion was seconded by Mr. Riser and the Motion passed by unanimous vote.

Item 5 – Discussion regarding appointment of officers and take appropriate action

Mr. Kern stated that we may want to elect other officers as we only now have Mr. Riser as Chairman and Jenese Beckstrom as Assistant Secretary/Treasurer. Mr. Bickham was then elected Secretary/Treasurer by unanimous vote.

Item 6 - Consideration of the following resolution in connection with Office of Juvenile Justice projects:

A RESOLUTION AUTHORIZING THE LOUISIANA CORRECTIONAL FACILITIES CORPORATION TO PROCEED WITH THE ISSUANCE OF NOT TO EXCEED \$47,000,000 LOUISIANA CORRECTIONAL FACILITIES CORPORATION LEASE REVENUE BONDS (OFFICE OF JUVENILE JUSTICE PROJECTS), IN ONE OR MORE SERIES; MAKING APPLICATION TO THE STATE BOND COMMISSION FOR APPROVAL OF SUCH BOND ISSUANCE; EMPLOYING BOND COUNSEL, MUNICIPAL ADVISOR AND UNDERWRITERS; AND PROVIDING FOR OTHER MATTERS IN CONNECTION THEREWITH.

Dr. Bueche summarized the Office of Juvenile Justice project. He stated that there would be a net savings once the Swanson and Bridge City facilities are moved out of the old buildings. Mr. McGimsey and Mr. Mayeux discussed the state debt limit. Mr. McGimsey stated that he thought this Office of Juvenile Justice Project was a worthy project and would be supported by the Division of Administration. Mr. McGimsey, Dr.

Bueche and Mr. Bickham then discussed the possibility of Facility Planning playing a role in the design process. Dr. Bueche said that this could be a possibility but the question is the timeframe and how quickly the project could get completed. Dr. Bueche then stated that they are still trying to finalize the land to be used in Jefferson Parish. This could cause a delay for the Bridge City facility. Mr. Kern stated that it would take a while to get this to the State Bond Commission so we may want to just stick with one bond issue if we can. The thought is that the land issue in Jefferson Parish could be straightened out by January. Mr. Kern and Mr. Mayeaux then explained the resolution. Motion was made by Mr. Bickham to pass the above captioned resolution. The Motion was seconded by Mr. Covington and the Motion passed by unanimous vote.

Item 7 - Update on projects for Department of Public Safety and Corrections

Mr. Breland stated that they are finishing the Capital Outlay projects. There were 68 projects submitted with 38 projects being priority. Included in the 38 priority projects is the flooded facility of LCIW. They are still working with FEMA to obtain the funding for this project. This will be a two phase approach and the cost will be \$110 million. The goal is to move the female prisoners from Hunt Correctional back to LCIW. There will be temporary facilities and support services involved. He went on to state that all of the state facilities are aging and that there are ongoing problems due to that. For example, a transformer burned out this past weekend at the Dixon facility.

Item 8 - Approval of reimbursement of expenses incurred by Board members for travel expenses

Motion was made by Mr. Bickham for the approval of reimbursement of expenses incurred by Board Members. The Motion was seconded by Mr. Covington and the Motion passed by unanimous vote.

Item 9 - Approval of legal fees submitted by Jones Walker LLP (JW Invoice No. 933234 dated April 30, 2018, No. 941499 dated June 20, 2018, No. 945407 dated July 26, 2018, No. 949157 dated August 22, 2018 and No. 955100 dated October 8, 2018)

Motion was made for the approval of legal fees submitted by Jones Walker LLP by Mr. Bickham. The motion was seconded by Mr. Covington and the Motion passed by unanimous vote.

Item 10 – Approval of The Bank of New York Mellon Trust Company Invoice No. 252-2142825 dated October 4, 2018 in the amount of \$2,065.00 for the Administration Fee for the Series 2007 Lease Revenue Bonds

Motion was made for the approval of The Bank of New York Mellon Trust Company Invoice No. 252-2142825 by Mr. Bickham. The motion was seconded by Mr. Covington and the Motion passed by unanimous vote.

Item 11 - Transaction of such other business as may properly come before
the Board

Mr. Chevalier stated that LCFC may want to authorize an agreement with the Division of Administration before the Office of Juvenile Justice bonds are issued. Mr. Kern stated that there would be another meeting scheduled before the bonds are issued and it can be done at that time. A draft of the agreement will be circulated and presented at the next LCFC meeting.

There being no further business to transact, Motion was then made to adjourn by Mr. Riser. The Motion was seconded by Mr. Bickham and the Motion passed by unanimous vote.