

**MINUTES OF MEETING OF  
THE BOARD OF DIRECTORS OF  
LOUISIANA CORRECTIONAL FACILITIES CORPORATION  
TUESDAY, JANUARY 22, 2013**

A meeting of the Board of the Louisiana Correctional Facilities Corporation ("LCFC") was duly called and held Tuesday, January 22, 2013 in the Fifth Floor Main Conference Room of Jones, Walker, Waechter, Poitevent, Carrere & Denegre, L.L.P., 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. Charles McDonald  
Mr. Whalen Gibbs, Jr.

The following members were absent:

Secretary James LeBlanc  
Mr. Richard Crain

Also present:

Mr. Billy Breland, Maintenance and Corrections Director –  
Department of Public Safety & Corrections  
Mr. Fred Chevalier, Esq. – Jones, Walker, Waechter, Poitevent,  
Carrère & Denégre L.L.P.  
Mr. Matt Kern, Esq. – Jones, Walker, Waechter, Poitevent, Carrère  
& Denégre L.L.P.  
Ms. Patti Dunbar - Jones, Walker, Waechter, Poitevent, Carrère &  
Denégre L.L.P.  
Mr. John Mayeaux – Sisung Securities  
Mr. Byron Poydras – The Bank of New York Mellon Trust Company

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 October 10, 2012

Motion was made for the approval of minutes from the Board meeting of October 10, 2012 by Mr. Gibbs. The Motion was seconded by Mr. McDonald and the Motion passed by unanimous vote.

Item 3 – Old Business – Discussion of whether Mr. Head may serve as a consultant to the Board – continued from last meeting

Mr. Chevalier stated that his research has indicated that Mr. Head cannot serve as a consultant to the Board for a period of two years unless the Ethics Board would be able to grant an exception. Mr. Riser stated that it would be best to just leave things as they stand and not consult the Ethics Board regarding this matter. Mr. Riser stated that he had a list of attorneys from Mr. Head in the event the Board wanted to pursue a possible loophole as far as back royalties from the Exxon well in Union Parish. He also stated that the landman had already determined that the Board did not own the additional acres and he did not think it was financially prudent to keep pursuing this matter. Mr. McDonald agreed.

Item 4 – Old Business – Discussion of Continuing Disclosure Matters – continued from last meeting

Mr. Mayeaux stated that there was no update on this matter at this point. Continuing disclosure matters relating to the bond issue are still being discussed with the Division of Administration. There is no action required to be taken by the Board at this time. Mr. Mayeaux went on to explain that the Division of Administration has had a high turnover of personnel lately and that has caused some delays regarding this matter.

Item 5 – Old Business – Discussion of Mr. McDonald signing an Incumbency Certificate with BNY – continued from last meeting

Mr. Poydras stated that currently, Mr. Riser is the only Board member authorized by a Certificate of Incumbency with BNY. If the Board wishes for Mr. McDonald to instruct the Trustee in any matters in the future, that would have to be evidenced by a Certificate of Incumbency as well. Mr. Poydras stated that he could send a Certificate of Incumbency in a Word version if the Board would like to add Mr. McDonald. Mr. Riser agreed to this and Mr. Poydras will send a Word version of the Certificate of Incumbency for execution by Mr. McDonald.

Item 6– Update on LCFC Finances (review of bank statements)

Mr. Poydras went through the bank statements from December 31, 2012 and explained the various accounts and balances. He stated that he is not aware of any outstanding invoices other than the BNY invoice listed as Agenda Item No. 8 and the Jones Walker invoices listed as Agenda Item No. 10.

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

Mr. Gibbs stated that Secretary LeBlanc is held up at a meeting at the State Capitol and he does not have any updates from him at this time. Mr. Breland gave an update on various projects, including the completion of the lift station project at Tallulah. He stated that the invoice has been sent out and the only thing remaining is a few

closing out fees with the retainage on the project. He also stated that Secretary LeBlanc has been really busy with Department of Health and Hospitals matters and with budget matters. Mr. Gibbs stated that with Earl K. Long Hospital closing, they were trying to work out what was going to happen as far as prisoner health care. Mr. Breland also stated that they were looking into possible renovations at the Hunt facility and various other projects.

Mr. Gibbs stated that since the last Board meeting, the Phelps Correctional Center in DeQuincy has been closed, effective November 30, 2012. Most of the 1,000 inmates have been transferred to Angola where Camp Phelps has been created. In the last six months, there have been three prison closures so these have been challenging times. Mr. Chevalier asked about the closed prison employees and Mr. Gibbs stated that some of them were transferred to other facilities but that some of them had to be laid off.

Mr. Chevalier asked what the status was with the juvenile facility. Mr. Breland stated that from his understanding, an assessment of the Jetson facility was still being discussed.

Mr. Riser asked if they were considering doing prisoner health care in-house. Mr. Breland stated that they were looking into having specialty clinics but that there was no certainty as of yet. Mr. Gibbs stated that they could only handle certain things in-house.

Item 8– Approval of The Bank of New York Mellon Trust Company Invoice No. 252-1674680 in the amount of \$750.00 for the Administration Fee for the period December 1, 2011 to November 30, 212 for the LCFC Custody Account

Motion was made by Mr. Gibbs for the approval of payment of The Bank of New York Invoice No. 252-1674680. The Motion was seconded by Mr. McDonald and the Motion passed by unanimous vote.

Item 9 – Approval of reimbursement of expenses incurred by Board members for travel expenses

Motion was made by Mr. Gibbs for the approval of reimbursement of expenses incurred by Board Member, Mr. Riser. The Motion was seconded by Mr. McDonald and the Motion passed by unanimous vote.

Item 10 – Approval of legal fees submitted by Jones Walker, et al (JW Invoice No. 623399 dated November 6, 2012 and JW Invoice No. 619691 dated October 10, 2012)

Motion was made for the approval of legal fees submitted by Jones Walker, et al by Mr. McDonald. The motion was seconded by Mr. Gibbs and the Motion passed by unanimous vote.

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

Mr. Riser stated that he received an Oil & Gas lease from Mr. Head regarding the 27 acres in Union Parish on Thursday. Motion was made by Mr. Gibbs to add to the Agenda the review and approval of the proposed Union Parish Oil & Gas Lease as presented by Mr. Riser. The Motion was seconded by Mr. McDonald and the Motion passed by unanimous vote.

Item 11A – Review and Approval of the Proposed Union Parish Oil & Gas Lease as presented by Mr. Riser

Mr. Chevalier stated that Jones Walker should review the lease and report back at the next meeting after an oil & gas attorney has had a chance to review it. He also stated that the Board could authorize Mr. Riser to take action on the lease before the next meeting upon the determination of Mr. Chevalier/Jones Walker. Motion was made by Mr. Gibbs to authorize Mr. Riser to act on behalf of the Board regarding the lease. The Motion was seconded by Mr. McDonald and the Motion passed by unanimous vote.

Motion was made to adjourn by Mr. Gibbs. The Motion was seconded by Mr. McDonald and the Motion passed by unanimous vote.