

**MINUTES OF MEETING OF  
THE BOARD OF DIRECTORS OF  
LOUISIANA CORRECTIONAL FACILITIES CORPORATION  
TUESDAY, MARCH 20, 2018**

A meeting of the Board of the Louisiana Correctional Facilities Corporation (“LCFC”) was duly called and held on Tuesday, March 20, 2018 in the Fifth Floor Main 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. Matt Kern– Jones Walker LLP  
Mr. Fred Chevalier – Jones Walker LLP  
Ms. Patti Dunbar – Jones Walker LLP

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. Mr. Riser then mentioned that Item 4, the Office of Juvenile Justice Presentation by Dr. James Bueche would be moved up to next discussed item as Mr. Chevalier has to leave the meeting early.

Item 4 – Presentation by Dr. Bueche of the Office of Juvenile Justice regarding  
the replacement of two existing facilities, Swanson Center for Youth  
in Monroe and Bridge City Center for Youth, and take appropriate  
action

Dr. Bueche gave a presentation regarding the replacement of two existing Office of Juvenile Justice (OJJ) facilities, Swanson Center for Youth in Monroe and Bridge City

Center for Youth (a copy of the presentation is attached). He stated that he met with the Office of Administration and obtained preliminary approval assuming it can make it through the LCFC bond process. The trend now is to move towards smaller, more therapeutic facilities. One facility has been funded and built in Acadiana but now they have run out of operational funds for that facility and it is not operating yet. Swanson and Bridge City are both extremely old facilities. They are not as secure as they should be and need major repairs. If the new facilities were in place, even with debt service payments, there would be a savings of 6 million for Swanson and 3.5 million for Bridge City. Dr. Bueche then asked what the next steps would be to get this project approved. Mr. Chevalier stated that the LCFC financial advisor would need to get involved and give his opinion of the proposed project. Once the Office of Administration gives its approval, LCFC can then adopt a resolution to the State Bond Commission for permission to issue the bonds. OJJ would lease facilities from LCFC. Mr. Kern stated that LCFC would need a letter from the Commissioner of Administration before this could go forward. Another issue is whether or not this would be considered net state tax supported debt. Mr. Chevalier stated that the State Bond Commission has a rule that states if you are using state general fund money to make lease payments, that would be net state tax supported debt. Mr. Chevalier stated that he would contact Rick McGimsey, General Counsel at the Office of Administration to go over this proposal and to help determine whether or not this would be considered net state tax supported debt as this would be a savings of funds. If it is considered net state tax supported debt, that would make it very difficult to get approved. Mr. Kern stated that the state has a debt limit issue which would make this very difficult to get approved. Mr. Chevalier stated that he and Mr. Kern would contact Mr. McGimsey and report back to the board. Mr. Kern asked what would happen to the old facilities if new ones were built. Dr. Bueche stated that other state agencies have expressed interest in those facilities for various purposes.

#### Item 2 - Approval of Minutes of the Board Meeting from December 20, 2017

Motion was made for the approval of minutes from the Board meeting of December 20, 2017 by Mr. Bickham. The Motion was seconded by Mr. Covington 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. Bills were paid as authorized by LCFC and normal payments of debt service were made.

#### Item 4 - Update on projects for Department of Public Safety and Corrections

Mr. Breland stated that the building of the perimeter fencing is being continued at Building 10. Tomorrow, he will be travelling to Tallulah to check on the insurance claim projects that are ongoing there. He will also be visiting David Wade and Winnfield prisons. He stated that overall, the infrastructure is in bad shape. The transformers are old, the wastewater treatment systems are also old. Oxidation ponds need to be de-

sludged. They are trying to get capital funds to do away with the ponds and upgrade. Everything else is proceeding as well as can be expected with the funds that are available. Mr. Bickham stated that some improvements have been made at the Allen facility since it has been taken over by the state. This has mostly been IT improvements. Mr. Bickham stated that the Allen facility has been a good investment.

Item 5 - 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 6 - Approval of legal fees submitted by Jones Walker LLP (JW Invoice No. 926916 dated March 13, 2018)

Mr. Bickham requested a breakdown of the legal fees involved in work on the State Ethics Subpoena issue. Mr. Kern stated that he would send him the total. Motion was made for the approval of legal fees submitted by Jones Walker LLP by Mr. Covington. The motion was seconded by Mr. Bickham and the Motion passed by unanimous vote.

Item 7 – Approval of The Bank of New York Mellon Trust Company Invoice No. 252-2049658 dated September 19, 2017 in the amount of \$2,500.00 for the IRS Rebate Calculation on the Series 2017 Lease Revenue Bonds

Motion was made for the approval of The Bank of New York Mellon Trust Company Invoice No. 252-2049658 by Mr. Covington. The motion was seconded by Mr. Bickham and the Motion passed by unanimous vote.

Item 8 – Approval of The Bank of New York Mellon Trust Company Invoice No. 252-2092953 dated March 12, 2018 in the amount of \$2,100.00 for the Administration Fee for the period March 9, 2018 to March 8 2019 for the Series 2015 Lease Revenue Bonds

Motion was made for the approval of The Bank of New York Mellon Trust Company Invoice No. 252-2092953 by Covington. The motion was seconded by Mr. Bickham and the Motion passed by unanimous vote.

Item 9 - Transaction of such other business as may properly come before the Board

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