

**MINUTES OF THE MEETING OF
THE BOARD OF DIRECTORS OF
LCTCS FACILITIES CORPORATION**

August 23, 2011
4:00 p.m.

A duly called meeting of the Board of Directors of LCTCS Facilities Corporation (the “Corporation”) was held by conference call on August 23, 2011. Those directors of the Corporation present included: Stevie Smith, Chair/President; Lambert Boissiere, Secretary/Treasurer; Billy Montgomery; and, Gene Thibodeaux. Other participants include Jan Jackson, Bill Obier, Brian LaFleur, John Mayeaux, Liza Sherman and Michele Nardini.

Approval of Minutes:

On the motion of Director Thibodeaux, seconded by Director Montgomery, the Board approved the minutes of the May 10, 2011 meeting as presented.

Board Review and Approval of Northwest Project Land Purchase:

Bill Obier discussed the proposed purchase of 1.22 acres of additional land, adjacent to the current site, for the Northwest Campus in Minden. Mr. Obier stated the property had appraised at \$30,000. He said the additional land would be used for fill on the existing site, vehicular circulation, as the site of a proposed building 3 and for future expansion.

On the motion of Director Montgomery, seconded by Director Thibodeaux, the Board authorized the purchase of 1.22 acres of land, identified as Lot 11 of Celtic Commercial Park, Unit #1, at a cost of \$30,000 for the Northwest Campus in Minden, and authorized Chair Smith to execute the Purchase Agreement, Act of Sale and any other documents necessary to close the transaction. This motion also authorized Chair Smith to make immaterial changes to the Purchase Agreement and closing documents.

Board Review and Resolution on 3rd Bond Issue:

John Mayeaux discussed the upcoming issuance of bonds for Phase 3 projects. Mr. Mayeaux said the sale of Phase 3 bonds would fully fund all projects to the level of 115 percent. Mr. Mayeaux said he expected to sell approximately \$42 million in bonds at an interest rate of 3.5 percent. He reported that, due to favorable market conditions, the low cost of borrowing funds, the division of the project into three phases and low construction costs, the Facilities Corporation was able to return over \$8 million of the State appropriation for the project to the State, to date. Mr. Mayeaux said the bonds would be priced during the last week of September and the sale should close around the second week of October.

On the motion of Director Montgomery, seconded by Secretary/Treasurer Boissiere, the Board authorized the issuance of the 3rd Phase of Bond Funding, not to exceed \$60,000,000; authorized the Facilities Corporation Officers to enter into, execute and deliver the Bond Issuance and all related documents; authorized the Corporation and its Officers to negotiate and execute any security devices needed to issue the Bonds; authorized all actions of the Corporation, its Officers and its agents in connection with the Bond Issuance, and authorized Chair Smith and Secretary/Treasurer Boissiere to execute and deliver any and all instruments, perform any and all acts, and approve any and all matters deemed necessary to carry out the purpose of the Bond Issuance.

Control Report and Campus Updates:

Brian Lafleur provided an update on the Act 391 budget and projects, as follows:

Budget, to date:

- Current budget: \$138,521,798
- Total funds encumbered: \$90,024,876
- Total funds expended: \$26,483,077

Status of construction projects:

- 8 campuses under construction
- Young Memorial (Morgan City): Ground breaking in September; major renovation and addition to existing building began 3 weeks ago
- River Parishes (Sorrento): land purchase agreement signed; beginning programming phase; construction should begin within 12 months
- Northwest (Mindén): site package being reviewed; additional purchase of 1.22 acres of land
- Huey P. Long (Winnfield): 50 percent into construction
- L. E. Fletcher (Houma): Under construction, 15 percent complete
- Florida Parishes (Greensburg): 15-20 percent into construction; working on extending sewer to site with the Town of Greensburg
- SOWELA (Lake Charles): initiating construction
- Gulf Area (Abbeville): 65 percent complete; major renovation project; expected completion by end of 2011

- Shelby Jackson (Ferriday): 60% complete
- Nunez (Chalmette): Meetings scheduled to discuss budget with FP&C
- Westside (Plaquemine): construction documents ready; project behind schedule; construction bids in late October or early November

Presentation of 2010 Audit to Board:

Liza Sherman presented the audit report that was submitted to LCTCS for the Annual Financial Report. She stated there were no audit findings in the report.

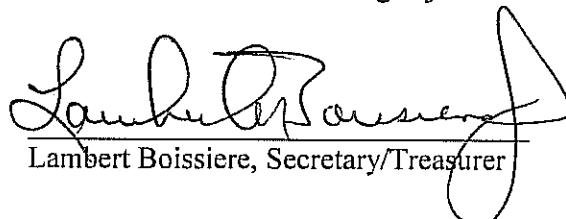
Presentation of Expense Items under \$20,000:

Liza Sherman reported that section 4.iii expense items paid since the last meeting were incurred for ground breaking expenses, surveying and appraisals, fire marshal review, IT setup costs and moving costs.

Liza Sherman confirmed how each board member would prefer his name appear on the plaque to be placed at all Act 391 facilities, as follows:

- Stephen C. Smith
- Ulysses G. Thibodeaux
- Lambert C. Boissiere, Jr.
- Billy Montgomery

On the motion of Secretary/Treasurer Boissiere the meeting adjourned at 4:35 p.m.



Lambert Boissiere, Secretary/Treasurer