

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21

-- --

LOUISIANA LAND TRUST BOARD MEETING

Linday C. Bogggs International Center

University of New Orelans

2045 Lakeshore Drive, New Orleans, Louisiana

Friday, November 21, 2008

1:00 p.m. to 2:30 p.m.

ERNEST BROUSSARD, Chairman

-- --

Before Marilyn J. Broyles, Certified Court Reporter in
and for the State of Louisiana.

1

A P P E A R A N C E S

2

THIS IS A ROUGH DRAFT NOT CERTIFIED COPY

3

4

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

P R O C E E D I N G S

MR. BROUSSARD: This is the meeting of the Louisiana Land Trust. We are officially called to order. We welcome you, and I thank you for attending with us.

We will have our customary roll call, if you will, Madam Chairman.

MS. CAROLINA: Chairman Broussard.

MR. BROUSSARD: Here.

MS. CAROLINA: Walter Legge.

MR. LEGGE: Here.

MS. CAROLINA: Daryl Burckel.

MR. BURCKEL: Here.

MS. CAROLINA: Donald Valle.

MR. VALLE: Here.

MS. CAROLINA: Jason ?

MR. JASON: (No response.)

MR. BROUSSARD: We have a quorum.

Ladies and gentlemen, as is customary, we will — I want to defer to Mr. [] to give us a staff report at this point. We request that any questions you may have before we proceed to meeting? Mr. Taylor? Gentlemen?

Having none, ladies and gentlemen, it gives me great pleasure to introduce our newest inductee to the

1 board, if you will, Dr. Daryl Burckel from Lake Charles, who
2 is currently a professor at McNeese State University, also
3 has done several regional studies on outside of Louisiana,
4 [] airport, and business and economic ventures.

5 Dr. Burckel, we welcome you and we thank you
6 for being with us.

7 MR. BURCKEL: Thank you.

8 MR. BROUSSARD: And, as a matter of fact [],
9 Having said that, we will move on then, to
10 our regular []. We have a full compliment.

11 Gentlemen, do we have the approval — or a
12 formal approval of our minutes of July 11th, 2008, that has
13 been presented to you in your packet for review. Do I have
14 a motion to accept?

15 MR. VALLE: So moved.

16 MR. BROUSSARD: Moved by Mr. Valle.
17 Seconded?

18 MR. LEGER: Second.

19 MR. BROUSSARD: All those in favor signify by
20 saying "Ay."

21 ALL: Ay.

22 MR. BROUSSARD: The motion carries.

23 The next issue is the series of
24 resolutions that we have on the docket that we will take —
25 I guess, gentlemen, we will take independently, these

1 actions respectfully to that.

2 I will defer to Mr. Taylor on the draw
3 request.

4 MR. TAYLOR: Thank you, Mr. Chairman.

5 We still have our agenda out of order.
6 We had the unique circumstance last board meeting of not
7 having the quorum. But as an informational meeting, we went
8 through the entire board agenda in pretty good detail, and
9 unless someone has some specific questions, I'm just going
10 to hit the very high points, and more or less, an update of
11 where we are and — where we were then and where we are
12 today. But the resolutions are an important piece, and I'm
13 going to take those first. Because we do have a limit on
14 how long we have the room here, until about 2:30.

15 MR. VALLE: Mr. Chairman, we don't get paid
16 by the hour today.

17 MR. TAYLOR: Not today.

18 One of the first things that — resolutions
19 that we need to adopt, and I think it's in your package, is
20 that the Office of Community Development, our funding
21 agency, has asked that there be a resolution particularly
22 that says that Eddie and I can request money from our
23 advances, and that resolution is referred in the exhibit,
24 the first one in there.

25 If you would take a look at that resolution,

1 it is simply a resolution that authorizes us to draw funds
2 from the Office of Community Development based on our
3 approved draw requests that we submitted May 9th.

4 MR. BROUSSARD: And that's within the
5 framework of our preapproved methodologies?

6 MR. TAYLOR: Right. We've actually been
7 doing it that way since day one, but they have decided that
8 they wanted to do that []in pursuit of the excellence of our
9 organization.

10 MR. VALLE: I move for adoption.

11 MR. BROUSSARD: We have a motion by Mr. Valle
12 to adopt the resolution as it's drawn.

13 MR. LEGER: Seconded.

14 MR. BROUSSARD: Seconded by Mr. Leger. All
15 in favor signify by saying "Ay."

16 ALL: "Ay."

17 MR. BROUSSARD: All opposed []. The motion
18 carries.

19 Lease office space in New Orleans.

20 MR. TAYLOR: Okay. As most of you are aware,
21 a month or two back, we subleased space at 1515 North [] in
22 Louisiana. [] authority Orleans number one office right
23 now. We expect we would take additional space there in the
24 coming weeks and months as we build up staff in the transfer
25 process. But it is simply a sublease from them.

1 We request money from them, they give us
2 the money, and then we pay them back for our share of the
3 lease payment. But, again, they wanted a resolution that
4 authorizes us to lease the space.

5 MR. BROUSSARD: How much is it to lease the
6 space?

7 MR. LEGNON: It's \$613.

8 MR. BROUSSARD: A month? Do we have a
9 motion, Mr. Valle?

10 MR. VALLE: I move we adopt it.

11 MR. BURCKEL: Seconded.

12 MR. BROUSSARD: Okay. We have a motion
13 seconding it by Mr. Burckel to adopt the lease arrangements
14 as our quorum officer has presented. All in favor signify
15 by saying "Ay."

16 ALL: "Ay."

17 MR. BROUSSARD: [lights on] The motion
18 carries.

19 Authorization for deeds.

20 MR. TAYLOR: All right. One of the things
21 that we will be doing, as we move forward on the title
22 transfer of deeds, is signing something over 9,000 [] as
23 the transfer process wraps up.

24 The committee is supposed to authorize
25 to sign it. I don't sign all 9,000 of it myself. So what

1 we're proposing in that resolution is — I think the way it
2 is drawn, it authorizes myself, Kathleen, and Dave Lingheim
3 sign, but we thought that since — I think I would like to
4 just have more bodies, also authorized people to sign the
5 case. So if you don't mind, the resolution as presented
6 would have to be amended to —

7 MR. BROUSSARD: There's a question.

8 MR. LEGER: So that's in the transfer of
9 title from Road Home Corporation to the ultimate individual
10 or to the parish?

11 MR. TAYLOR: Well, it can be both. It could
12 be both, because some will transfer to the parish, some
13 will be transferred to New Orleans [], and some we will
14 actually have the parishes transfer —

15 MR. LEGER: Depending upon the parish and
16 how it's set up.

17 MS. LONGWELL: It will transfer out.

18 MR. TAYLOR: Just transfer out.

19 MS. LONGWELL: Transfer out.

20 MR. VALLE: Mr. Chairman, I'll make the
21 amendment to include our deputy director as one of the
22 authorized signators on this in the original motion.

23 MR. BURCKEL: Seconded.

24 MR. BROUSSARD: Then under secretary [] as
25 amended the motion to provide [] with the amendment of

1 including our deputy director as a signator. I have an
2 amended a motion. I have it seconded by Mr. Burckel.

3 All in favor signify by saying "Ay."

4 ALL: "Ay."

5 MR. BROUSSARD: Opposed by saying no. The
6 motion carries.

7 Our next item is a CSS contract.

8 Discussion and decision.

9 MR. TAYLOR: As we discussed, right around
10 the time that Hurricane Ike hit was the — the time frame
11 was — had expired on the first — y'all correct me if I'm
12 wrong with the exhibits — but expired on the first one
13 year —

14 MR. LEGNON: In September.

15 MR. TAYLOR: — in September of their
16 contract. We've extended it, just based on a verbal
17 agreement that they keep the contract in place.

18 The way the contract was originally drawn up
19 by joint agreement, I think, between the Office of
20 Community Development, LLT and CSS, was that the contract
21 was a multi-year contract but annually reviewable. And
22 since we have exceeded that one year, we need to actually
23 extend that contract, agree to extend the contract.

24 The other thing that we are doing, as a part
25 of that contract, is reviewing it, and we're considering

1 there's going to be cost-cutting measures. We're going to
2 be talking about ending the security business on the vacant
3 lots and only following up with that on an as-needed basis
4 as identified by our staff and the local —

5 MR. BROUSSARD: With a corresponding
6 significant reduction in costs against the —

7 MR. TAYLOR: Yes. Yes. We don't have the
8 exact dollar amount of that signified yet, but the way that
9 contract is structured, it's going to take some working an
10 analysis with CSS to figure out the most effective and
11 efficient manner of redistributing their security teams and
12 how they do that. But we expect to see a cost decrease.

13 MR. BROUSSARD: So what's the salient
14 features of the resolution that we need to discuss today?

15 MR. TAYLOR: Well, it's to extend the term
16 of the contract and —

17 MR. LEGNON: In the contract it says that
18 the contract cannot exceed 4.6 million. Currently, through
19 the end of October, we are in defense of about 3.7 million.
20 So we can either []determine to do anything with the money
21 at this point, or we can add to the amendment to raise by
22 4.6 or to leave the 4.6 as is for the second contract year.

23 MR. BROUSSARD: Donald.

24 MR. LEGER: As you know, we've have a
25 subcommittee meeting with the Governor himself in Baton

1 Rouge, and we discussed this and that we needed a []
2 contract, both. Mr. Taylor, in operating the company,
3 asked us to allow the extension of a certain time so he
4 could be [] to go into []tele operations that was going on
5 to what we (inaudible) final (inaudible) was going to be.
6 And we discussed reducing the cost and how this (inaudible)
7 could be done.

8 So we had talked about extending the
9 contract for a period of time. I don't see any problems
10 with extending the contract, but I would like to leave the
11 amount as it is now so we can relook at the contract when
12 that amount comes up and those cost saving avenues have
13 been given.

14 MR. BROUSSARD: And that committee structure
15 is still in place to do the operating aspect?

16 MR. LEGER: Yes.

17 MR. VALLE: Mr. Chairman, my question is, or
18 what your proposal is, as I appreciate it, under the
19 contract, the total contract now will remain at 4.6
20 million.

21 We've spent about 3.6 million, so we've got
22 another, you know, 800,000 or so. When we get to that, it
23 will be extended for a year, or a cap, or it reaches the
24 cap. So we have to revisit it at the time when we reach
25 the cap.

1 MR. BROUSSARD: Or hopefully before it
2 reaches the cap.

3 MR. TAYLOR: And that was the intention. I
4 believe that — I believe where we are now it rests on the
5 economy back again, and the cap that I'm curious about.

6 MR. BROUSSARD: So within that time, we'll
7 revisit it and make a judgment. The board will have the
8 occasion to visit that, but I think we have control.

9 MR. LEGER: And I know we've had lengthy
10 discussions about this, but just for the sake of the
11 record, I mean, management, the executive director, thinks
12 highly of the performance of the contract and
13 recommends — it is not dissatisfied with the performance
14 at this time.

15 MR. VALLE: No, sir. We looked at —

16 MR. BROUSSARD: Any other discussions before
17 we vote on the motion? Any discussion on the floor?

18 There being none, Mr. Valle has indicated
19 that []receive that motion.

20 MR. VALLE: Move that we extend the
21 contracts on the same ceiling limits that are allowed under
22 the []current title transfer.

23 MR. BROUSSARD: I move on Mr. Valle's —

24 MR. LEGER: I second it.

25 MR. BROUSSARD: All in favor signify by

1 saying "Ay."

2 ALL: "Ay."

3 MR. BROUSSARD: [] That motion carries.

4 Our next issue is discussion and decision on
5 the task force. Mr. Taylor.

6 MR. TAYLOR: As most of you are aware, the
7 task force contract, at our last board meeting quite a
8 while ago now, where it was extended for a period of one
9 year, within the constraint of the existing dollar cap,
10 just like we just did for this contract. The original
11 dollar cap on that contract was 18.5 million. Again, the
12 contract was negotiated in by the LLT staff on community
13 development, legal counsel for [] Ann Grieves and
14 (inaudible).

15 But where we are now, we have title in the
16 contract, but as we discussed at the last informational
17 meeting, we were counting on — which we were at the cap,
18 and we asked to make the decision to go forward with that
19 contract with monies. And if the []Secretary will
20 remember, we had a good bit of discussion about if the
21 contract is reloaded, is it reloaded in the original
22 contract amount of 18.5, and that amount is about to be
23 changed.

24 MR. VALLE: Mr. Broussard, two things.

25 First, (inaudible) was to — between myself

1 and Mr. Taylor and subsequently going back and forth, hadn't
2 been reported by the committee on this.

3 That committee — and again, with Mike in
4 (inaudible) capacity, asked to extend the contract for a
5 reasonable period of time that we've talked about extending
6 it, and the pending balance of the contract, we would give
7 him five months, four — four months to get back here and
8 negotiate with this loss of subcontract, what are the cost
9 savings, et cetera, et cetera, et cetera, and one month
10 additional claim for a time to — couldn't reach an
11 agreement because they want a fee.

12 Our lead counsel has opposed to reach a
13 decision on it — (inaudible) — she (inaudible) — we
14 cannot renegotiate the contract in those terms and
15 conditions, and that came up at this special price meeting.
16 And we've had quite a long discussion since that time.

17 During that period, however, Mike has come
18 back to us and he said he agreed we can (inaudible) on the
19 contract, but we all, in turn, gave him verbal authority to
20 exceed the limits and add money to it, then we would have
21 to ratify it at one of our meetings here. And that was
22 done verbally with clarification to be at this meeting. So
23 first we would have to ratify his actions, and then approve
24 to exceed that money by that much.

25 Second, in light of the contract, I had

1 talked with Michael again, and, Walter, you and I
2 (inaudible) be in this meeting but — and problems to Mike
3 — and you correct me if I'm wrong, please — he would like
4 some time, to get past everything again, which is the same
5 thing he said before, "Give me some time." And I said,
6 "Well, let's reinvent the wheel. Five months today."

7 I don't think we should mislead anybody to
8 the extent that by extending the contract for a period of a
9 year, we won't be in position to cancel with 30 days'
10 notice. I still would like the staff to go back in an
11 attempts to find cost savings, in any means they can,
12 within the next five months — four months with the right
13 to extend them, and if they can't find any other means,
14 that we do go out, terminate the contract and (inaudible).
15 Is that's what — legal counsel says that's the only way we
16 can do it.

17 MR. BROUSSARD: Well, let's defer to —

18 MS. LONGWELL: We cannot renegotiate the
19 line item prices. We can renegotiate the scope of the work
20 that was performed. But the frequency or the exact scope,
21 because that's the only thing we had negotiated for.

22 MR. BROUSSARD: Explain what that means for
23 me, Kelly.

24 MS. LONGWELL: That means that if it costs
25 \$75 to cut a lawn, we cannot renegotiate that \$75. If it

1 happens — is it 24 times a year?

2 MR. BROUSSARD: 24.

3 MS. LONGWELL: 24 times a year, we could go
4 down to 20, or we could say, "Instead of cutting that
5 grass, we want you to come up with another method that may
6 be cheaper." But it's that particular dollar that's
7 assigned to that task that we cannot renegotiate.

8 MR. BROUSSARD: Well, why we can't
9 renegotiate —

10 MS. LONGWELL: Because that's an
11 (inaudible.)

12 MR. VALLE: It becomes a public bid law.

13 MS. LONGWELL: That becomes public bid law,
14 that particular item is one —

15 MR. BROUSSARD: Because it's an economic
16 thing.

17 MS. LONGWELL: It's an economic thing, yeah.
18 And it would be unfair to — unless we negotiate that after
19 the public bid. We would have to allow that same
20 opportunity for everybody else —

21 MR. BROUSSARD: The other people —

22 MS. LONGWELL: Correct.

23 MR. LEGER: Mr. Chairman, I have to tell
24 you, I said, we looked at — there's a lot of things in the
25 contract that make reference to the change: Allowances and

1 changes to things, and it's very ambiguous. I mean,
2 there's — but again, it comes back to the public bid law
3 as the overriding factor that I think —

4 MS. LONGWELL: If this had not gone out to
5 public bid, we could renegotiate it. But because it went
6 out through the public bid process, I think that ties us
7 up.

8 MR. LEGER: One of the things that came up
9 in the last meeting, and I think that we're all clear with
10 the Lakeview is that you remember when I came on board, I
11 made a promise — and as you all made the same promise —
12 that we would be good neighbors to everybody and we
13 continue to be. It doesn't matter who is doing it.

14 And I said — and you and I heard the
15 conversations, I don't care who it was, he's cutting the
16 grass or who is cutting the grass, we're going to make sure
17 that the properties we own for the people are maintained
18 properly. We're all committed to that. And that's if by
19 change and it will be.

20 Now, we're discussing a lot of different
21 areas of cost saving methods, but at this point in time,
22 it's essential that we look at everything possible.

23 These situations that we have discussed
24 today, each one should be addressed individually.

25 If we had a rental home sitting here, here

1 it is. It looks like a garden. We need to maintain it.
2 But in some situations, we've got 13 lots on a street and
3 there's no houses on that street and grass all around
4 that's up to three feet. There's no reason we shouldn't
5 make it look like a city park function when we're living
6 out on the pasture. That's my opinion.

7 MR. BROUSSARD: Your grievance.

8 MR. LEGER: Your opinion.

9 MR. BROUSSARD: I'm mulling it over. I'm
10 not sure I agree with it on that, because I think the
11 commitment that we make that — that I personally feel
12 compelled to is that we need to be leaner. We need to
13 maintain the properties. It doesn't need to be consistent
14 with other blanket properties in the area, but we need to
15 take the lead and establish a standard.

16 But I understand what you're saying. And
17 because it's been very clue (phonetic), we got some
18 inaccurate publicity early on with one of the the []3D
19 stations claiming that certain properties that had pared
20 (phonetic) for. Those were Road Home properties. Those
21 were actually private properties and someone had put a Road
22 Home sign on it, for example.

23 And one of the positions we took earlier on
24 when we got [word] authority is, the state is cleaning up
25 its property right away to establish a standard for

1 everyone else in the community. If the government wasn't
2 cleaning their properties up, then why should the state?

3 I just — I don't think we're really
4 disagreeing, but I would like to read — we can't leave our
5 property. We ought to be establishing a standard, the
6 standard in the area within Orleans Parish.

7 MR. VALLE: And we've taken a shorthand
8 approach to (inaudible) Orleans Parish. And we've had —
9 this contract was let initially running way back in the
10 beginning when there was a tremendous amount of lack of
11 attention to our property. It was addressed very quickly
12 in the times. But the situations have changed, like you're
13 changing things (inaudible) now, the way we handle new
14 policies. And I'm just saying the thing to do is relook at
15 things in light of the deficiency. And we'll looking to
16 the future for the disposition of the properties, and give
17 Mike enough time that he can look at it, in my time, give
18 him five more months, give him whatever the amount of money
19 that we were talking about the other day, Mike.

20 MR. LEGER: Well, I still — we're speaking
21 kind of abstractly, Mr. Chairman.

22 MR. BROUSSARD: And I was also hoping —

23 MR. LEGER: But I also believe that — and I
24 think a lot of us have talked about this — that we need to
25 make sure that we don't treat certain neighborhoods

1 differently than other neighborhoods.

2 MR. VALLE: Agreed.

3 MR. LEGER: Whether it's a neighborhood in
4 New Orleans or St. Bernard or Lake Charles, that basically
5 the people can expect that the Louisiana Land Trust is
6 going to take care of their neighborhoods and the loss of
7 their neighborhood without regard to what that neighborhood
8 was like before or who lives there or who doesn't live here
9 or who has got political influence or who doesn't, you
10 know, the timing. That would pretty much the set the
11 standard in that — in how many times we cut the grass or
12 whatever other things we do to maintain that property.

13 MR. BROUSSARD: But there are things — I
14 want to say this — (inaudible) the mechanics of it.

15 MR. LEGER: Right.

16 MR. BROUSSARD: But what I'm hearing,
17 though, is that we are (inaudible) of wanting to be as cost
18 effective and [word] as possible, but there may be some
19 adjustments at this point of the program that maybe we need
20 to do that, but we want to be unilateral in our performance
21 also. So with that, I think we're going to defer to Mike
22 and ask us — to ask him how can we achieve that?

23 MR. TAYLOR: Well, another point I want to
24 make [on the stand] is that we shouldn't make this decision
25 on what we do in a vacuum. I think we have carried out a

1 great service to all of the people (inaudible).

2 We don't — we should involve the local
3 parishes and their leadership in what kind of decision we
4 make on this, and at least let them have some input. For
5 better or for worse, we have set a standard out there, and
6 to change that standard now to a lesser standard would
7 create some problems for us.

8 And if there's one thing that we do have
9 (inaudible) meetings right now is the leadership, is a good
10 job. We are maintaining the security of the properties as
11 they exist — creating problems there for ourselves or for
12 the (inaudible). We need to involve them in that decision
13 process. I can't tell you what they may say. They may
14 say, do — cut that, cut more. We'll just have to — we'll
15 just have to address it as it comes along.

16 But that's my desire, and I have expressed a
17 number of times is that we have a tremendous number of
18 projects in the area right now. We go into the office
19 every morning with our main focus being, "How can we
20 transfer these properties back into the (inaudible)
21 building?"

22 MR. BROUSSARD: Which is our —

23 MR. TAYLOR: Yes. That is how we rebuild
24 our tax base in our hurricane-impacted areas. And that's
25 what my staff needs to focus in the (inaudible.)

1 That time period, you know, if we're talking
2 about — I don't want to take away from the efforts of any
3 of you as far as these are the finished, completed,
4 reviewed and analyzed and awarded contracts in place that
5 you got going on. I'm just staying we've got a lot of
6 []options in the air, as much time as we can get on that,
7 and that's critical (inaudible).

8 I do want to go back and ask (inaudible) the
9 issue — we run into this issue one time before about the
10 question of could we incrementally increase the dollar cap
11 on the time track, and we've got to make sure that if we do
12 it, we're following the proper procedure on that. And I
13 think we had some discussion about could we increase it,
14 and that's going to come into play here before we — for
15 the chair here is (inaudible) on it.

16 MR. BROUSSARD: Miss Longwell, do you want
17 to raise — can you speak to that?

18 MS. LONGWELL: Yes. I am of the opinion
19 that it needs to []three-up for an extra full \$18.5
20 million, since we have the entire contract with the same
21 cap.

22 MR. LEGER: So what you're saying is, our
23 option is to either not extend the contract. So the one
24 option is extend the contract one year for an additional up
25 to \$8.5 million.

1 MS. LONGWELL: []Million dollars.

2 MR. LEGER: And we have some options in
3 there in the context of the scope.

4 MS. LONGWELL: Correct.

5 MR. LEGER: — []that's the same ones. But
6 under the public bid law, that — that's one option, extend
7 the dollars and (inaudible). The second option would be to
8 not extend it.

9 MS. LONGWELL: Right.

10 MR. LEGER: And to let out for bid,
11 essentially, a new contract.

12 MS. LONGWELL: Right.

13 MR. LEGER: That []October bid. How long
14 does that process take?

15 MS. LONGWELL: Six weeks?

16 MR. TAYLOR: It would be virtually
17 impossible for us to []set up a bid on time (inaudible).

18 MS. LONGWELL: But there is also a 30-day
19 termination clause in the contract, so that was the best
20 part of an option one. We can extend it for a year.

21 MR. LEGER: We can extend it for a year and
22 then at the end of the year —

23 MS. LONGWELL: Then you can extend it for a
24 year, right.

25 MR. LEGER: — for a million dollar cap on

1 it. And by the way, I think I failed — I needed to
2 mention something that you and I have talked about
3 privately.

4 I am of the opinion, believe or not, that a
5 legal opinion is worth what you pay for it, so that — this
6 opinion is worth what you paid for it. That we never had
7 to let this project out for a public bid, (inaudible)
8 professional services contract. We did, however, and we
9 did at the request of OCD, and it may be a requirement of
10 OCD now. And I'm not sure whether they can legally require
11 us to do it or not. But that's irrelevant, because the
12 most we've done, we need to stick with it, because we've
13 pledged — we may be legally required by the statute that
14 prohibits the place to be open and function in any way
15 (inaudible) public body and that is how — in other words,
16 we could use the procurement process for a request for
17 proposal, in which case we may need to take the low bid, if
18 we got a low bidder and we are satisfied with the low
19 bidder.

20 MR. VALLE: Right. I mean, we're satisfied
21 with the contract performance.

22 MR. LEGER: We'd like to get it cheaper.
23 There's some method we can still acquire it cheaper. And I
24 think the same kind of thing, the message to the public
25 ought to be []we're spending on the public bid law.

1 MS. LONGWELL: Right.

2 MR. LEGER: I don't know about you. That's
3 the way I asked the president or the executive director.
4 I'm concerned about a bump in service while we go out for
5 another public bid. If we're pleased with the performance,
6 any savings could be offset by a new bidding process, and
7 these savings could be offset by inefficiencies, the
8 learning curve. And, you know, it happens with employees
9 in my small business. You know, I might be able to get a
10 new employee cheaper than the old one, but the old one is
11 really good enough, and I've got to train a new employee.
12 And I'm asking because is that is manageable under — my
13 recommendation to management is that we extend the contract
14 for 12 months at the amount in an attempt to renegotiate.

15 MR. TAYLOR: Let me ask this: Are the
16 things that we've talked about mutually exclusive? If it
17 is legal counsel's opinion that we do fully reload the
18 contract to 18.5, that would not preclude us from the
19 30-day cancellation of —

20 MS. LONGWELL: Right.

21 MR. TAYLOR: — to do exactly what Mr. Valle
22 is suggesting and do this negotiation and analysis four,
23 five, six months, as soon as our staffing times allow us to
24 carry that out.

25 MR. BROUSSARD: That's fine.

1 Mr. (inaudible).

2 MR. []VALLE: We were going to, in the July
3 meeting, that is in fact what we did. We extended the
4 contract, as you said, full time, and for the full contract
5 amount, with the proviso that we go back and attempt to
6 renegotiate prices and we put the (inaudible). We've
7 already proved that. So if you don't want to change
8 anything else, that stands. And you can address it, Mike,
9 as you feel, but I'm willing to accept that.

10 MR. BROUSSARD: Okay. (Inaudible). Does he
11 still has control over this?

12 MR. VALLE: We were — in July — and if you
13 re-read the minutes, there's a couple pages to it, that's
14 what we approved.

15 MR. LEGNON: And — I'm sorry. I didn't
16 mean to cut you off.

17 MR. VALLE: Isn't that what we approved?

18 MR. LEGNON: You are correct. We did that
19 in the July meeting, we did extend the contract for one
20 year. At that time, we were well under the 18.5 cap.
21 Right now we are approaching that 18.5. As a matter of
22 fact, you have, in your packet, a little PowerPoint, and if
23 you can flip through there, you'll notice through October
24 31st, we have spent 18 — just at 18.2 billion.

25 So given that we are almost through

1 November, we are either at or exceeding that 18.5.

2 Something needs to be done with that.

3 MR. VALLE: As I understand Walter, and the
4 reason that all this has come up again, because we had a
5 subcommittee meeting —

6 MR. LEGNON: Right.

7 MR. VALLE: — to look at prices, and in
8 that meeting, we more or less said, "This is what we want,
9 it to go up to 10 million in five months." But if we don't
10 take any action in that those []people in the original
11 resolution will be previously approved, []annuity
12 contract, annuity formed, Kelly said we have to do, we'll
13 let that stand. You all still do whatever you do behind
14 the scenes, so we don't take any action.

15 MS. LONGWELL: I think for clarity's sake,
16 (inaudible) []that you get off again, that it was approved,
17 it was extended for another year. There was some question
18 as to whether or not it was extended for another 18.5. And
19 so I think, in fairness to the board, full disclosure,
20 that's []why it's turning out like that.

21 MR. LEGER: I mean, the extension would be
22 from when to when?

23 MS. LONGWELL: September —

24 MR. LEGNON: I believe the contract was
25 signed in August of '06.

1 MS. LONGWELL: August '06.

2 MR. VALLE: So it will be through August
3 26th to August 27th of '08.

4 MS. LONGWELL: '08, yes.

5 MR. VALLE: The whole scope of the committee
6 was to allow us sufficient time to go back and work with
7 the contractors and address the situation and obviously go
8 forward.

9 MR. BROUSSARD: (Inaudible) business to
10 underscore the performance or task force or their
11 responsibility is in question?

12 MR. VALLE: Well, I have no problem —

13 MR. BROUSSARD: Because it sounds like we're
14 all talking about the same thing.

15 MR. LEGER: Well, then if that's the case,
16 we have validated his motion and I second it.

17 MR. BROUSSARD: (Inaudible.)

18 MR. LEGER: The motion is to either ratify
19 if we need to, but in any event, to extend effective
20 whatever that date is, August or September, 12 months, with
21 a new cap of 18 —

22 MS. LONGWELL: 18.5.

23 MR. LEGER: 18.5.

24 MR. BROUSSARD: And so the chair —

25 MR. LEGER: I second that motion.

1 MR. BROUSSARD: So the chair recognizes that
2 motion. It's seconded from the floor. The item under
3 discussion and (inaudible) is —

4 MR. VALLE: (Has a dollar bill). That's for
5 your opinion.

6 MR. BROUSSARD: A whole dollar bill?

7 MR. VALLE: We're going to have to — why
8 don't you make the trees so —

9 (Discussions off the record.)

10 MR. LEGER: I wanted to welcome Dr. Burckle.
11 (Inaudible) As you probably experienced when you were
12 involved on the board before?

13 MR. BURCKEL: Yes.

14 MR. LEGER: Just remember, no good deed goes
15 unpunished. [final listen here]

16 MR. BROUSSARD: Before we sway too much
17 further from the issue, we have a motion, and a second on
18 the floor, to proceed with and ratify the previous
19 amendment of the of the board and the committee on the task
20 force contract which will still allow the staff the
21 re-evaluate the deficiencies of the (inaudible).

22 Having said that, are we — all in favor
23 signify by saying "Ay."

24 ALL: "Ay."

25 MR. BROUSSARD: Opposed the last time. The

1 motion carries.

2 Mr. Taylor, the procurement policy.

3 MR. TAYLOR: Yes, sir. And one more comment
4 on that. I will make sure all the staff will continue to
5 analyze any cost savings in there and come up with
6 something that (inaudible) there's a forum.

7 MR. BROUSSARD: As a matter of fact, we
8 really should have often, in the course of the task force,
9 all our individuals are here. Do we have any discussion
10 from the floor on this issue before we go to the next
11 point? Yes, sir.

12 MR. STERLING: My name is Al Sterling, and I
13 represent H & L Enterprises, and we're a sub 2 task force.
14 And I just wanted to encourage you guys to please, on
15 behalf of the 30-plus employees that we have and their
16 families, to renew the contract. And so having said that
17 —

18 MR. BROUSSARD: We understand. Thank you
19 for your comments. Yes, ma'am.

20 AUDIENCE MEMBER: Marilyn Tom from Lakeview,
21 and, Walter, I really agree with your setting the
22 standards, and they have set the standards. And I can tell
23 you — I don't know how many other neighborhood
24 associations are in here. But I think if you were — you
25 can't play favoritism. And if you have 13 lots in the

1 Ninth Ward, you cannot turn those brown with toxic spraying
2 and keep maybe Lakeview green, because there's only one or
3 two. And so I think you really do have to be very careful
4 with that.

5 Also, I encourage you all to focus more on
6 the moving these properties to NORA (phonetic) and getting
7 them sold, because there's your real solution. That
8 problem of cutting that budget goes away.

9 MR. BROUSSARD: Right.

10 AUDIENCE MEMBER: Because those lots, they
11 don't have to be maintained anymore, and that's just the
12 voice of reason. We have 200 property owners in Lakeview
13 ready to go, taxes done, you know, the exceptions,
14 everything. I heard 57 appraisals did go through, and, you
15 know, ready to be transferred.

16 So we just encourage you, from all of the
17 neighborhoods, to don't fix a broken wheel, you know,
18 something that's not broken. You have great people. The
19 learning curve would affect us. You have such a positive
20 ripple effect, to real estate to the negligent homeowner,
21 because of the job that you're doing. And so we thank you
22 for hearing us, and, you know, taking that direction.

23 MR. VALLE: Mr. Chairman, that was exactly
24 my point. I don't think we should treat a property in one
25 subdivision different than a property in another. They all

1 get treated —

2 AUDIENCE MEMBER: Right. I mean, you live
3 in St. Bernard, so you drove down a whole block going to
4 your house, and you have to see — and we've talked about
5 the American neighborhoods again, and we finally feel like
6 we are starting to look like an American neighborhood. To
7 go to looking like Iraq or Afghanistan, with brown, and you
8 haven't seen the —

9 MR. VALLE: Well, we have all, as individual
10 property owners — not all of us, unfortunately, but many
11 of us try to maintain our damaged properties as reasonably
12 well as we can, so as to not impact our neighbors. If we
13 have to repair. That's my point. That's our obligation
14 here. We need to be good neighbors, not bad neighbors, in
15 every neighborhood, whether it's Loradine or Lakeview or
16 Lake Charles, or, you know, or my home town of (inaudible).

17 AUDIENCE MEMBER: Yeah. Thank you. And I
18 got an e-mail today from a lady, a tree fell from Gustav
19 into her Road Home property. I know I can e-mail the task
20 force, and I have total confidence that's going to be
21 addressed. And I don't know if I'd have that confidence
22 with a new, cheaper group. I mean, you get what you pay
23 for. So, you know, I encourage you, don't be pennywise and
24 dollar foolish on this. And let's keep doing the right
25 thing, a good thing. You guys get such great brownie

1 points from us on — you know, this is something that we
2 can say yes, it's done right and it's done well.

3 MR. BROUSSARD: Thank you. As a matter of
4 fact it's nice to see advocacy in motion.

5 AUDIENCE MEMBER: Thank you.

6 MR. BROUSSARD: I want to say that when you
7 mentioned that tree, six people put their heads up and take
8 notes of that, you know.

9 AUDIENCE MEMBER: And write the e-mail and
10 they'll —

11 MR. BROUSSARD: I think she encouraged you.

12 AUDIENCE MEMBER: And I can guarantee that
13 tree will be addressed in that (inaudible) so —

14 MR. BROUSSARD: And I'm sure, you know. And
15 really, in fairness to Mr. Valle's statement earlier, it
16 was really taken not as a change of performance or any
17 inconsistency. I think our idea was, if you have rural
18 properties in rural settings, they don't have to be maybe
19 as manicured as — but that is a local issue that maybe
20 could be coordinated with one of the staff. Thank you for
21 your comments.

22 AUDIENCE MEMBER: Thank you.

23 MR. LEGER: I wanted to respond, I thought
24 differently when I heard about that fallen tree, because
25 before the storm, I had 45 trees on my property. As of

1 about — right before Gustav, I only had one left. It fell
2 in Gustav. Now, at that time this task force had my
3 property, so they had to — or I had to — and I'm sure I
4 didn't do it as quickly as they did.

5 MR. VALLE: Where did the squirrel go?

6 MR. LEGER: The squirrel got no where to go
7 now. Got to go to the house.

8 MR. BROUSSARD: Thank you for your points.

9 AUDIENCE MEMBER: Thank you.

10 MR. BROUSSARD: Before we get off of this,
11 any last statements from the task force?

12 AUDIENCE MEMBER: Yes. We'd just like to
13 extend our gratitude. We find it an honor and a privilege
14 to do what we're doing in the community, and the work that
15 the board from — I think Mr. Rainbow there, from the very
16 beginning, of getting this thing kicked off, to be a part
17 of it, seeing a community turn around. I mean, that's what
18 we've always told our guys, we were right on the edge to
19 see this thing turn around, to see it restored.

20 And it's also, along with Alex, you know,
21 what it means to the 250 people you're involved in in this
22 effort. And there's a lot of people that get up, make the
23 drive from Baton Rouge, from all the different communities,
24 come here to work every day. It takes a lot to get all of
25 that in motion, and to not see it interrupted and just

1 continue those services. And I want to say that we are
2 committed to exceed the expectations of the Louisiana Land
3 Trust.

4 MR. BROUSSARD: And you have also been very
5 concilatory to us as we talk about modifying the complexion
6 of the contract because of the changes.

7 AUDIENCE MEMBER: Yeah. We're there to work
8 with you.

9 MR. BROUSSARD: Thank you for your
10 statements. Do we have one other speaker?

11 AUDIENCE MEMBER: Yes. My name is Linda
12 Jackson, president of the Lordani (phonetic) Homeowners'
13 Association, and I want to thank Congress for mentioning
14 us.

15 The way that area is looking, it makes me
16 feel real good that I can drive around and I see these lots
17 clean, looking good, beautiful, and it makes somebody
18 think, "I want that lot. That looks good. I want to be
19 here." So cut to straight, it will be — it's like a sore
20 eye. So I appreciate what the task force is doing for us,
21 and I hope you guys continue.

22 MR. BROUSSARD: So noted. Thank you for
23 your statements.

24 MR. LEGER: Mr. Chairman, I just want to
25 comment, task force, we really do thank you. You have made

1 us look good in earning our money in this high-paying job,
2 but don't get too cocky. Don't slip up now. You know, I
3 mean, you know, keep us all proper, really.

4 AUDIENCE MEMBER: You're not going to slip
5 up.

6 MR. LEGER: And we're all happy the work is
7 being done.

8 MR. BROUSSARD: Thank you for that.

9 Moving on our next issue of discussion is
10 the procurement policy.

11 MR. LEGNON: The procurement policy was also
12 approved at the July board meeting, but since then we've
13 had a request for a due change. The first is really minor,
14 but it's a Federal Registry mentioning in the policy, which
15 is incorrect. It's cited as 24 CFR 85, which needs to be
16 modified and changed to 24 CFR 84. That's one change.

17 The other change is in our small procurement
18 policy, we state that any services under 20,000 are
19 re-listed — oh, here it is. Anything under 20,000 is to
20 include construction as well as other items. And then
21 there is a request to increase that to 100,000, which are
22 in keeping with our state guidelines.

23 MR. VALLE: Mr. Chairman.

24 MR. BROUSSARD: Yes.

25 MR. VALLE: Again, the subcommittee,

1 Mr. (inaudible) and you were (inaudible), addressed this
2 issue when Mike brought it up.

3 As you all know, I was probably instrumental
4 in the beginning to reduce the amount that was in
5 (inaudible). And, again, my concern is primarily based
6 upon seeing things that past experiences and lack of some
7 of the things you (inaudible), and since Michael built this
8 team up and he's got everything in place, and the
9 procedures and checkpoints were there, we saw fit to return
10 it back to what was originally in the procedure plan for
11 May of 2000 (inaudible.)

12 MR. BROUSSARD: May 10.

13 MR. VALLE: And we have accomplished the
14 (inaudible) and with points procedurally, but we've got to
15 see the (inaudible) part of it. That's another story.

16 MR. BROUSSARD: Does that conclude your
17 statements, Edwin?

18 MR. LEGNON: Yes. I do just want to make a
19 correction. I said it was — it was previously 20,000, it
20 was previously 50,000.

21 MR. BROUSSARD: 50,000. So you told us. So
22 with that caveat, Mr. Valle, does that what you move?

23 MR. VALLE: I move to approve it. I move to
24 approve it.

25 MR. LEGER: Seconded.

1 MR. BROUSSARD: You have a motion on
2 Mr. Valle, seconded by Mr. Leger to accept the procurement
3 policy as amended, and (inaudible) signify by saying "Ay."

4 ALL: "Ay."

5 MR. BROUSSARD: (Inaudible). The motion
6 carries. A human Resource Policy, Item G.

7 MR. LEGNON: If you look in your packet, you
8 will find a human resource policy. When Mike and I joined
9 LLT, there was an HR policy that was in place, but it had
10 never been approved by the board. We were also requested
11 to have a board-approved HR policy, so Mike and I got
12 together, as well as other members of the staff, to develop
13 (inaudible), to reword some of the statutes (phonetic), to
14 make sure everything is compliant. And I submit that to —

15 MR. BROUSSARD: Gentlemen, you have the
16 policy in your packets and (inaudible).

17 MR. VALLE: Mr. Chairman, again, I've spent
18 regular time looking at the entire operation before I came
19 on the board, and looking at all of our minutes. I've
20 reviewed all of our contracts and all the procedures
21 (inaudible).

22 And in looking at some of this stuff and
23 talking to the staff, again, I was of the impression that
24 we needed to increase and adjust our employee benefit
25 package within the — in this package that I have right

1 here. In doing so, we have previously approved an increase
2 in the — let me back up.

3 Initially, the hospitalization provided that
4 we pay half of the employees, 75 percent, and the employee
5 pays the balance. Since that time, we recommended, and
6 Eddie has secured a family and spousal benefit package
7 where we approved and agreed to 60/40. We pay 60 percent,
8 the employee pays the 40. And we looked at all the costs.
9 We looked at all the employees, salaries, the expenses of
10 the corporation, the setup, the details.

11 And in doing so, we also approved, because
12 of time constraints, to change the HMO carrier that Eddie
13 recommended to us, and we subsequently approved a 401(k)
14 plan, at a certain time period, that was no cost to us,
15 that the employees could contribute to. And we said we'd
16 readdress it at some point in time for the future.

17 Eddie and I have long conversations, and the
18 details — and I think some that you—all had previously
19 input. Mike insist that it only be consistent with either
20 what the states are doing or the titled agencies the size
21 of New York, et cetera, et cetera, et cetera. And in doing
22 that, we didn't quite do, but tried to.

23 There's a couple things in here that I have
24 disagreed to, and I'd like to suggest a different motion
25 for what you're doing here, as presented to us. That's the

1 proposal in here that we require a —

2 MR. BROUSSARD: Excuse me. Hold on. Hold
3 on.

4 MR. VALLE: Sure.

5 MR. BROUSSARD: Does that conclude your
6 presentation or thoughts?

7 MR. LEGNON: Yes.

8 MR. BROUSSARD: So, we do not have — we do
9 not have a motion on the floor as of now. Should we put
10 the motion on the floor for discussion to amend if you're
11 going to ask for a recommendation, or should we —

12 MR. VALLE: You're going to have to discuss
13 it first, and then you can go to the motion, if you'd
14 like.

15 In looking at — when we addressed this
16 issue in the beginning, there's a lot of functionality of
17 the 401 requires a 60 percent contribution here, that I
18 don't feel that we should be doing as an agency using
19 federal funds and taxpayers' funds, and this is the short
20 term instance. And the 401(k) primarily would benefit the
21 senior and higher-paid employees and not across the board
22 to everybody.

23 The second is disability claim, and we
24 really not a long-term company, and is an expense to us as
25 well. And I think there's a life insurance policy that's

1 proposed in here for \$50,000 per employee. Primarily this
2 is long term.

3 And I'm going to suggest that we offer an
4 alternative, now that we're looking at the plan, is that my
5 motion is just that — I would rather see we benefit all of
6 the employees and keep — and that we increase the share
7 that we pay from 75 percent to 100 percent; that we pay all
8 of the employee benefits, now, the spousal family stuff, we
9 do that 60/40, and move some of these things in a
10 (inaudible).

11 MS. LONGWELL: You're speaking of health
12 insurance?

13 MR. VALLE: Yes. Okay. Mike and have
14 discussed this. Eddie and I have discussed this. We may
15 have a difference of opinion on some of this stuff, but
16 that — maybe where we're coming from on that. I'd like to
17 benefit all of my employees across the board.

18 I see coming down very quickly, even though
19 we're not a state agency, with the administration, the
20 slowdown and everything in the country, that we're probably
21 going to see some freezes, both on hiring and on raises or
22 any type of promotional expenses. From the state's
23 standpoint, the (inaudible) has been addressed to him, go
24 see the legislators, put that in effect this coming year.

25 And I think in doing due diligence with a

1 short-term agency such as us, we ought to take care of the
2 people we got, but not look for a long term — this is not
3 a long-term company. I mean, Mike and I went on the radio
4 yesterday, and he said, "You know, this is two years."

5 So I don't want to — (inaudible) life
6 insurance policy, you know, 401(k) benefits, but it
7 benefits the topic you want to call it. So I would like a
8 discussion, if we want to discuss that, and then I can make
9 the motion afterwards.

10 MS. LONGWELL: Let me make one
11 clarification, statutorily, we have to have participation
12 by not just (inaudible) measured employees, but by all
13 employees — and (inaudible) measured employees are limited
14 by the amount they can contribute, depending on how many
15 participants we have at the lower levels. So there's —

16 MR. VALLE: I appreciate that.

17 MS. LONGWELL: — several.

18 MR. VALLE: I just said the contract
19 between — that we start matching any benefits packages
20 with taxpayers' money and CGB funds. And I'd rather do it
21 a different way and pass the benefit on, you know, really
22 we'll construct it, immediate return, so to speak, for the
23 new employee by picking up that 25 percent.

24 I've looked at the cost — and Eddie,
25 correct me — but I think we're looking at approximately

1 about somewhere between 2,800 and 3,200 more a month over
2 what we're already paying, which would put us about 14,000,
3 if I'm correct.

4 MR. LEGNON: That is correct.

5 MR. VALLE: Does that sound right?

6 MR. LEGNON: Yes.

7 MR. BROUSSARD: And this issue has come
8 up — the proposal that has been introduced to us today,
9 without amendment, is it revenue or cost neutral or is
10 it — it's a higher responsibility on behalf of the Trust?

11 MR. LEGNON: I want to make I understand you
12 correctly.

13 MR. BROUSSARD: Okay.

14 MR. VALLE: Does it cost more?

15 MR. LEGNON: Does it cost more to make the
16 revisions than Mr. Valle has suggested? Is that the
17 question?

18 MR. BROUSSARD: Correct.

19 MR. LEGNON: Then my answer would be no, it
20 would actually be a little bit — it would be lower,
21 because, as he pointed out, what's in the current policy is
22 a 401(k) with a 6 percent matching contribution from the
23 corporation. So just assuming that we would have the
24 majority participation, that would far exceed the hundred
25 thousand, you know, per month for the additional insurance.

1 So essentially it would be cheaper.

2 MR. TAYLOR: But let me get a clarification
3 on that. What is presented in the document that they are
4 looking at is actually an increase in cost to the Land
5 Trust.

6 MR. LEGNON: Oh, yes.

7 MR. TAYLOR: With Mr. Valle's changes, it
8 will be slightly less.

9 MR. LEGNON: Okay. So I'm sorry.

10 MR. TAYLOR: And if you could quickly and
11 indulge us, compare what's in this package to the state
12 package.

13 MR. BROUSSARD: And new numbers.

14 MR. TAYLOR: You know, what does the state
15 offer, and, you know, that's the competitive market we're
16 in.

17 MR. VALLE: There's some things in this
18 package that exceed the state plan, but I'm willing to look
19 at those and suggest those to you. Paul may recommend
20 stuff that maybe was (inaudible) aspect of it.

21 But, you know, we move for what we will to
22 give to some of the employees that were only getting the
23 benefit of 75 percent, would now get per cost benefit, it
24 would give you those that — bringing in people and
25 changing good people, and we have the good people staying

1 by offering and taking away the expense today on our
2 employees.

3 A lot of employees don't — and I'm not
4 going to speak for the employees — don't have capital to
5 put into a 401(k), but they derive a better benefit by not
6 having to come out of pocket with the 25 percent health
7 benefit plan. And that was one of the suggestions.

8 MR. LEGER: I think across the board,
9 everyone, open for discussion.

10 MR. BROUSSARD: Before we defer it back to
11 staff, any other comments from the board?

12 MR. BURCKEL: Well, I just — there is no
13 company match on the 401(k), right? Did I read your —

14 MR. LEGNON: Currently right now there is no
15 401 — there is no contribution match from the company, no.

16 MR. BURCKEL: Okay.

17 MR. VALLE: But you were suggesting it.

18 MR. LEGNON: Correct.

19 MR. VALLE: Okay.

20 MR. LEGER: What is going to be okay? Is
21 this document, personnel policy is the one that is before
22 us to be approved?

23 MR. LEGNON: Yes.

24 MR. LEGER: This is — we've seen this
25 personnel policy before.

1 MR. LEGNON: Yes, we have.

2 MR. LEGER: And this has got some changes in
3 it, more cosmetic than substantive.

4 MR. LEGNON: No. We haven't made any
5 changes to the policy that's in front of you.

6 MR. LEGER: Right.

7 MR. LEGNON: There has never been any policy
8 approved by the board on the HR.

9 MR. LEGER: Okay. And this one and what
10 Donald is offering or proposing is — differs from what the
11 document to the extent of no 401(k) —

12 MR. LEGNON: No health insurance would be
13 available (phonetic).

14 MR. LEGER: Yeah. We still keep the 401(k),
15 but it's going to cost us.

16 MR. BROUSSARD: The employees do.

17 MR. LEGNON: The employees still can
18 participate as it's written. Let me —

19 MR. LEGER: Which isn't in here anyway.

20 MR. BURCKEL: If you could apply a portion
21 of the health care costs.

22 MR. VALLE: Yeah. But let me —

23 MR. LEGER: Employee health care.

24 MR. VALLE: And I've seen it so many times,
25 I have to tell you, but I didn't read it again, because

1 I've been reading what I thought was in the old one.
2 What's in this one I believe is the life insurance or
3 disability plans and nothing that we didn't have before
4 that we saw. It's just stuff that's new.

5 MR. LEGNON: That is — that is correct.

6 MR. LEGER: That's correct. And I'm
7 saying I think we eliminate those things, stay where we
8 were, before but go ahead to a hundred percent on the
9 health care benefit or our contributions to the employee.
10 Not the spousal stuff. Zero on the spouse.

11 MR. VALLE: No. We contribute 60 percent.

12 MR. LEGER: Oh, okay. So you're not —

13 MR. VALLE: We already threw it away.

14 MR. BROUSSARD: It was zero for the
15 employee.

16 MR. VALLE: When I looked at the thing —
17 you know, I've talked to a lot of these public employees
18 over there, not the new employees, and I just saw a need
19 that we need to address and be more sensitive to the needs
20 of our employees, and I looked at the income level. I
21 looked, you know, all the way across the board, et cetera.

22 MR. LEGER: Mr. Chairman, I'd like to know
23 management's recommendations on that.

24 MR. BROUSSARD: Let me just ask: You know,
25 this is really a high writ assignment. You know, we're

1 kind of quasi government, but the degree of difficulty is
2 very, very apparent.

3 MS. LONGWELL: We already just clarified
4 that. We are not a quasi state agency. We are not a state
5 agency.

6 MR. BROUSSARD: I understand. I understand.
7 But I do say we are hybrid.

8 MS. LONGWELL: I will not. We're not.

9 MR. BROUSSARD: Well, I felt we were hybrid.
10 We're a cross —

11 MS. LONGWELL: No. We are a Class 23.
12 Sorry.

13 MR. BROUSSARD: But I'm going to let you sit
14 next to me. But I guess the bottom line, my point is —
15 and please forgive me, all the acronyms. But the bottom
16 line, we're doing — our assignment is something somewhat
17 unusual, you know, for a government to do.

18 But having said that, that does not diminish
19 the degree of difficulty or the interface or interaction
20 that it takes for that. So being able to get talent on
21 board and keep them on board is, I think, very, very
22 important.

23 Now, my question is that there's going to
24 be — as you guys have explained this, is what we're
25 doing — what you've done, what was the intent of making

1 the modifications and — so that the board can ultimately
2 make the informed decision?

3 MR. TAYLOR: Well, our original task on
4 this, and one of the things you charged me with when I
5 first started, is to figure out an employee benefits
6 package. Because regardless of what the national economy
7 is doing right now, the Baton Rouge economy is a strong
8 economy. It's very much a government-based economy, and
9 that's the labor market that we're competing in. So we
10 wanted to have a competitive package that we put out for
11 the staff.

12 And one of our challenges is, we all — this
13 is limited life expectancy agency. It's a little bit
14 harder when you go hire somebody and say, "I want you to go
15 to work for me, but we've worked ourselves out of a job."
16 It's almost like contract employees rather than a long-term
17 relationship. So we face a little bit of a challenge
18 there. And we did sort of a universe search on what is —
19 what is the — sort of a composite benefit package that we
20 can come up with that is — that matches what we see.

21 Similar agencies, we looked at the sort of
22 package that NORA has with their staff. We looked at
23 what — the Office Community Development has a state
24 package, but we wanted to compare it with that, because
25 they're our reviewing agency, and they're not going to let

1 us get too far out of line with what they do, and came up
2 with a recommendation.

3 I've sat on both sides of the table on this.
4 I had this coming up before my board, my credit union board
5 meeting on charity Monday. There's no way to ever design a
6 package that's fair and equitable to everyone in an
7 organization. It's going to benefit some more than others.
8 I don't need health insurance. I have a health insurance
9 program already. So I don't cost the Land Trust anything
10 for health insurance. But I'm not sure that there may be
11 some other employees that are on another plan, and it
12 doesn't cost the agency anything.

13 So by making it a hundred percent, to me or
14 any to them, it doesn't matter. It doesn't benefit them.
15 They've asked for a little bit of loss of benefits. But
16 that's just part of any organizational structure.

17 And then we are completely open to
18 Mr. Valle's suggestions on the changes here. We put what
19 we thought was a middle road approach package out there.
20 But I think — I think we're all comfortable in
21 establishing what modifications would be.

22 MR. BROUSSARD: As suggested, especially
23 since they are reintroduced as positives.

24 MR. LEGER: Mr. Valle, Mr. Chairman, let me
25 move that we modify the personnel policy to allow the

1 401(k) to remain at the no cost benefit to us. Remove the
2 disability and health care and the —

3 MR. LEGNON: Life insurance.

4 MR. LEGER: — life insurance provisions,
5 and add it back in that we increase the corporation's
6 portion of the benefits that we pay on behalf of the
7 employees from 75 percent to 100 percent.

8 MR. BROUSSARD: Gentlemen, you've heard the
9 motion on the floor. You also heard — you have what the
10 general staff has said this morning. Having said that, is
11 there's a seconded?

12 MR. VALLE: Seconded.

13 MR. BROUSSARD: There is second to adopt the
14 personnel policy as presented with the modifications, as
15 referenced in the amendment. Before we broke, we have no
16 questions.

17 MR. TAYLOR: Let me ask for a clarification.
18 It's 100 percent in the employee, and health benefits at
19 zero for the family?

20 MR. VALLE: Spousal benefit is zero.

21 MR. LEGNON: No. That remains at 60/40.

22 MR. TAYLOR: We don't change that.

23 MR. VALLE: 60/40.

24 MR. BROUSSARD: Gentlemen, having said that,
25 all in favor signify by saying "Ay."

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

ALL: "Ay."

MR. BROUSSARD: Opposed last time. The motion carries. We have our first official personnel policy. By the way, gentlemen, your salary and benefits is JP Morgan.

MR. LEGER: Could we get that dollar back from Mr. Valle?

MR. VALLE: You-all want two? Is it two dollars?

MR. BROUSSARD: Gentlemen, moving forward, our next issue is discussion on the 2009 budget.

MR. TAYLOR: And, again, I'm going to ask Eddie to present his budget, then I'll have a discussion with any questions.

MR. BROUSSARD: Thank you.

MR. LEGNON: Okay. I've included what we have for —

MR. BROUSSARD: In brevity.

MR. LEGNON: I'm sorry?

MR. BROUSSARD: In brevity, if you will.

MR. LEGNON: I will.

You have in your packet a fiscal year 2009 budget. This budget was prepared several months ago, and already — since we're already into the fiscal year, we know that there are some changes. We also recognize that

1 we will modify — well, we'll probably come back with more
2 of a modified budget maybe after the first of the year,
3 when we know some of our other assumptions, to see how they
4 play out.

5 For example, currently, if you'll look at
6 the budget, you'll notice that what — the number of
7 properties that we anticipated, at this point in the year,
8 was below 9,000, and actually we had a little over 9,000
9 properties at this time.

10 So there — there will be some changes that
11 need to be made. But I will also strive to start using a
12 18-month rolling budget, so that way we can kind of stay on
13 track with this as we go forward.

14 MR. BROUSSARD: For the benefit of the
15 public and immediate speaker, this is, again, somewhat of
16 an example of a performance-based budget based on number of
17 properties and our response to that, so maybe a budget by
18 objective. Would that be correct, Mr. Burckel?

19 MR. BURCKEL: Maybe.

20 MR. BROUSSARD: Okay. Gentlemen.

21 MR. VALLE: Mr. Chairman, in our nonquorum
22 meeting that we had last time, we went into a lot of
23 discussion, but for the benefit of the members in the room,
24 we discussed that this was a considered to be possible
25 worst-case scenario, and that based upon the information we

1 had in hand, we asked the staff to update us, on either a
2 monthly or quarterly basis, to bring us as to the — when
3 we are able to determine the dispositions, the new
4 contracts with the art piece that we have out, and to
5 readdress all of the costs figures associated therein.

6 We — in looking at this and and looking
7 at — I've looked at the monthly statements from Eddie and
8 the balance sheets and fraud analysis and everything else.
9 We have looked at costs, like the expenditures of money,
10 the largest split-off property procedures in (inaudible),
11 at this time, this is the best that we can get, and I would
12 recommend that we approve it as such.

13 MR. BROUSSARD: And that is with staff's
14 approval?

15 MR. LEGNON: Yes.

16 MR. TAYLOR: Absolutely. And Mr. Valle is
17 correct. We're doing something that has never been done
18 before. It's extremely difficult to do budget forecasting
19 on that. But we will have some experience under our belt
20 within about 90 days that I think we can make some
21 reasonable forecasts then and base it on the performance of
22 what we think our demolition contractors can do and base it
23 on the speed with which can applied to —

24 MR. BROUSSARD: With that being said, it is
25 submitted to the quorum for a motion, seconded by

1 Dr. Burckel. All in favor signify by saying "Ay."

2 ALL: "Ay."

3 MR. BROUSSARD: The motion carries.

4 Gentlemen, you have your motion approved for the next two
5 years.

6 Our next issue, authorization to execute
7 parish and local CEA transmittal.

8 MR. TAYLOR: Let me explain what that is
9 just a moment. This is, hopefully, the final piece of
10 paper before the actual transfer process begins. It's a
11 cooperative endeavor agreement that is going to be executed
12 between the Land Trust, the Office of Community
13 Development, and the parishes receiving the property are
14 municipalities, and in some cases where it's a
15 municipality, it's actually going to be the City of
16 New Orleans on behalf of Orleans Parish out here, and then
17 they will have sub-recipient agreements with NORA.

18 But the cooperative endeavor agreement
19 basically outlines all of the responsibilities for each of
20 three parties involved in that agreement on how the
21 properties are going to be handled, how the block grant
22 regulations are going to be followed, and how the
23 monitoring is going to be carried out and how to proceed
24 with the monitoring, the sales of the properties to the
25 ultimate user will be handled.

1 Those — these documents have been under
2 development for about 60 days, I guess, with the Office of
3 Community Development. They are in their final form.
4 We're having a task force meeting Tuesday afternoon, and
5 hopefully we will put the final draft together, and that's
6 the one that's going to be circulated to the parishes,
7 those parishes that have their disposition of lands
8 approved, and then this cooperative endeavor agreement is
9 signed, and we'll have to be ready to transfer title to the
10 properties. So what I need there is an authorization to
11 execute those cooperative endeavor agreements as they are
12 ready to be signed based on NORA and OCD and our staff's
13 input.

14 MR. BROUSSARD: Gentlemen, discussion.

15 MR. VALLE: Mr. Chairman.

16 MR. BROUSSARD: Yes, sir.

17 MR. VALLE: Again, at our last meeting, I
18 respectfully submitted to Kelly as to when would we be able
19 to deliver something, but primarily, we just received that
20 CEA agreement, and so when (inaudible) had taken place.

21 Eddie and I and the staff had have long
22 conversations last week, so I've had a chance to read the
23 CEA in detail, the monitoring plan, and we believe that
24 some of the monitoring plans are suberiferous.

25 I can tell you — and I will say it to them,

1 I don't have any question, (inaudible) prepared all of
2 them. (Inaudible.) It's exceptional. Okay. However, the
3 monitoring and review if you ever have time — it's not
4 part of being requested to be approved — really look at
5 the — they're going to be faced with — you know, what
6 we're going to have to do on an ongoing basis, and the over
7 statement goes with it — I'm going to recommend you
8 approve it as it is, again with authority to execute it.

9 I know this one is small and it's going to
10 be refined soon. Still that we authorize that, any
11 contents and any — and any revision you come up with at
12 your subsequent meeting.

13 Having said that to you, I want to point out
14 the somewhere along the line, we need to have a little — a
15 long discussion in that this CEA, as it is written,
16 perpetuates this entity — I can't tell you it might, I
17 would say 5 or 10, maybe 15 years, and that's not our goal.
18 There's a burden here in these agreements with OCD. OCD is
19 going to monitor us. And we are going to go monitor some
20 preciprocants (audible). We have a duplication of efforts
21 here that is untold. It was my understanding, in the
22 beginning, with the Trust is that we would secure them,
23 maintain them, and dispose of them in the plan. I think we
24 need to readdress it with the Allrey (phonetic) and OCD,
25 because they are a state agency that is going to be around

1 forever, and they are all the CGJ the — whatever calls —
2 the block grant people — that really are pros that have
3 the knowledge and performance measures. I don't think we
4 should have to ramp up and expose and have to probably
5 seven to ten more people on an ongoing basis that
6 perpetuates this company. So I'm going to say we approve
7 it as it is, but we need to readdress it at some point in
8 the future. Mike.

9 MR. TAYLOR: And we're in active discussion
10 with that particular matter with the Louisiana government
11 of the Office of Community Development. Also Community
12 Development's business model is that they're in the
13 monitoring business. That's what they do for a long term.
14 And I've been discussing with them that that's not a role
15 that we should be doing. That's why I []designated through
16 part of the agreement. It is the designed to transition,
17 that when we go out business, they take over that
18 monitoring responsibility. They're not [] proficient []
19 that, but it's just a budgetary fact of — and I think I
20 can speak for Mr. Rainwater that he agrees with me that we
21 should move over to that agency. So we'll continue to keep
22 you updated on that. But that's — that's — we don't have
23 budget to carry out in our operation.

24 MR. LEGER: What — I guess the question,
25 since you've had discussions with Paul, why should we even

1 begin to do it? Why don't they just do it now?

2 MR. TAYLOR: Well, and that's the thing that
3 I want to address as well. They — you know, they have
4 monitoring staff. You know, that's just going to have to
5 be an ongoing thing that can be developed in the next
6 months, the actual part of the monitoring, it's going to be
7 a while before that capacity has to ramp up. What we do
8 early on I think is our responsibility. But in upcoming
9 months, six months or so, we need to have some sort of
10 solution.

11 MR. VALLE: Right. What is it exactly that
12 we will be monitoring, or expected to be monitoring, once
13 we have transferred property to the parish?

14 MR. TAYLOR: We're going to have to monitor
15 what was the ultimate use of that property, was it
16 transferred to the family, whether a homeowner lived it —
17 used it, was it disposed of according to the block grant
18 funds, if it was sold, was it sold at the fair market
19 value, and documentation that show that the use of the
20 property changed and what the —and what the use was just
21 —

22 MR. VALLE: Prior.

23 MR. BROUSSARD: — what was the use in the
24 plan and then it may require that environmental work being
25 done it, we have exceeded this period. We've done this

1 real before. It goes on and on and on.

2 MR. VALLE: Well, I guess that's what I'm
3 getting at. Those are requirements that are not ours, but
4 are receipt, grant receipt obligations. But on the
5 other hand, there will be some recipients who — the
6 obligation on behalf of the state to see that the money is
7 spent appropriately does involve CPA development. I mean,
8 you know, in a sense, we're not really an agent of the
9 state, but we're acting — we're fulfilling in this
10 capacity, but we're not set up to monitor, except at a
11 certain point — it seems to me that the point that we've
12 just distribute that — there will be a day, hopefully
13 soon, when we have no properties that we hold title to,
14 right? Up until now — I understand whatever monitoring
15 obligations or management obligations we have are as of
16 date. And you're saying when we don't own the properties
17 anymore, we will still have to monitor into the future —
18 or someone has to monitor the use of those properties, even
19 after they get ultimately disposed of, for how long?

20 MR. TAYLOR: Well, it depends on what the use
21 of the property is. If the property is sold at fair market
22 value but you need relieve dates then —

23 MR. VALLE: Then they're off the books.

24 MR. TAYLOR: But there's going to be a number
25 of these that are —

1 MR. VALLE: Green space.

2 MR. TAYLOR: Or even monitoring talking about
3 in the development usage or sold at less than fair market
4 value to —

5 MR. VALLE: Developers or —

6 MR. TAYLOR: Yeah. For —

7 MR. VALLE: — nonprofits or —

8 MR. TAYLOR: — public use, yeah, the
9 nonprofits.

10 MR. BROUSSARD: So, gentlemen, I'm not sure
11 that we even want to get into the long-term monitoring.
12 Obviously it has to transition to ODC eventually. We, as
13 an agent that handles federal funds, can't ignore ourself
14 from it. So we have to be in some fiduciary role.

15 MR. BURCKEL: Who is making the requirement
16 that we monitor? Who is stipulating to this requirement?
17 Because it would appear to me that when we dispose and
18 transfer ownership, then the instance of that ownership
19 transfers to someone else. And that audits of OCD, with
20 the parish, or whatever entity takes on those properties,
21 that will become their responsibility.

22 MR. TAYLOR: It's ultimately federal block
23 grant regulations that require that monitoring. And those
24 that have been in block grant regulations have been — it's
25 quite difficult to comply with. Like Walter said, his

1 statement that these are supposed to be simplest and
2 easiest federal funds to use, but they are complicated
3 because there are regulations that —

4 MR. LEGER: I would say that CEA brings
5 (inaudible) monitoring agreements is actually — what I'd
6 like you to read so you understand the complexity of the
7 bureaucracy that goes on that we are charged with as well.
8 I mean, we — OCD is looking at us. We're going to go look
9 at the city. The city is going to go look at — we've got
10 four people looking at it. And they're looking at us
11 again.

12 MR. VALLE: [speaker] I'm going to make a
13 motion, and you can comment. I think what you're looking
14 for is the authority to executive the cooperative endeavor
15 agreements and the monitoring agreements. And, of course,
16 I haven't seen them. But I move that we grant you that. I
17 don't think it's the Board's obligation to micromanage what
18 you do, as long as you give us the assurance that you have
19 appropriately good advice. We have the additional
20 advantage on this issue that one of our board members is —
21 Mr. Valle is very qualified, has reviewed them, and
22 recommends it also. And it will be enough for me that you
23 recommended it and it's all sound legal advice that that is
24 appropriate under the regulation, the rules of the law, and
25 I so move that you be granted that authority.

1 MR. LEGER: And any grants that you come up
2 with and the amendments to see.

3 MR. VALLE: Plus you may have response from
4 the parishes and the city.

5 MR. TAYLOR: Right. And there will be
6 modifications that will have tailored to meet the specific
7 disposition plan to the parishes. But I can't give you the
8 exact document. But this is a conceptual —

9 MR. VALLE: I'd like to see if there's any
10 substantive changes in what our counsel and you approve
11 that we may want to review those that are substantive.

12 MR. TAYLOR: Let me see if this is right.
13 There's going to be possibly a substantive change in this
14 document as it melds with the environmental folks with the
15 two or three days ago in the hearing staff much more
16 stringent position on how the environmental work has to be
17 done. I think it will be something which that is —
18 commits in the CEA that you don't see, not that I have seen
19 yet. But it's going to be dictated by HUD. There's no way
20 around it. That could include the acceptance of that
21 language.

22 MR. VALLE: If that's our lawyer's advice,
23 and that's required, then that's fine with me. You know, I
24 don't need to see that. They're getting paid the big bucks
25 to come up with those plans. But that brings up the

1 comment — that made a motion that the comment I want to
2 make is, what Mike was alluding to is that I said a long
3 time ago, I support the IRA. I knew nothing about this
4 stuff. I couldn't [] SPP to LA, SHA practice, all those
5 initials. But we were advised by [] in HUD and CEP and
6 federal funding that HUD grants were the most []. You
7 wanted it because they had the strings attached and the
8 least complexity. And my comment to you is that I think
9 this is the easiest federal money to administer. I don't
10 know how federal money ever gets spent. And my comment is
11 that, consistent with what you're saying and with what Don
12 is saying is that we have an obligation to get out of there
13 as quick as we can. Not for our sake, but for the sake of
14 saving the taxpayers money. How many monitors do you need
15 monitoring monitors? That's, you know, the struggle we've
16 had with HUD from day one. A lot of criticism over another
17 is HUD problems and then the fact that they wouldn't waive
18 things and this may comments that they got a bunch of
19 bureaucrats up there is that they might be bureaucrats and
20 least doesn't ask for. I'm afraid I don't know. I can't
21 swear by this, but I hate bureacracies. And if we can
22 insist on getting — cutting some of those steps about
23 saving monitor, that ought to be a call by our students
24 we're not shutting down. You know, we want to get this
25 stuff done and monitored. You know, by one — one group of

1 monitors and get of Dodge. But before this may HUD. HUD
2 has an awful lot of ridiculous regulations, some of which
3 are particularly there for some political faction
4 initially, and they can get out of it or they won't get out
5 of it. And then the state is stuck with that and complies
6 is what HUD requires of us. And if we can cut these, serve
7 a lot of that, you could have had your property there a
8 year ago and disposed of, and we're still dealing with some
9 of the bureacracies.

10 So just to comment on — I'll move and
11 approve it. We should do everything we can do to get
12 ourselves and anyone else involved — not involved than we
13 can.

14 MR. BROUSSARD: So with that said, you still
15 —

16 MR. LEGER: I second.

17 MR. BROUSSARD: So we have a motion and a
18 second to accept and authorize our staff to execute parish
19 and corporate endeavor agreements into a transitional
20 properties, gentleman, that this discussion saying "Ay."

21 ALL: "Ay."

22 MR. BROUSSARD: The motion carries.

23 MR. LEGER: Mr. Chairman, (inaudible)

24 discussion that I would like to see that the LOA CD give us
25 authority that we can authorize the parish and us to allow

1 the properties to be sold on credit terms. And what I
2 suggest is that we allow the property to be sold 10 percent
3 down and some reasonable interest rate that will cover the
4 cost the administrating by an outside source over ten
5 years. So many people right now don't have the capacity to
6 (inaudible), and they shouldn't be required (inaudible).
7 And these funds come back to OCD and ultimately reallocated
8 to the parishes. So, again, money is just revolving into
9 the Land Trust operation.

10 I ask OCD to look at it through the
11 (inaudible.) is the last time we had talked about it. And
12 I don't think they gave us an answer until HUD blesses
13 their side of it. But I would like Mike to — Mike wants
14 to say something. Sure, go ahead.

15 MR. TAYLOR: I was going to say that I think
16 that is something that is acceptable from [] standpoint,
17 but that it could be done. And I think the way to move
18 that forward is to form a task force approval, because it
19 will require an amendment, an action, substantial will
20 require —

21 MR. VALLE: Are you saying that we provide
22 the —

23 MR. LEGER: First of all, we need to extend
24 to, on any sale of the property, on the lot next to our
25 program, the ability to the receipient agency or if we sell

1 it, the goal is to sell it on a credit term. Now, whether
2 we hold the paper back or OCD holds the paper and whether
3 there's some kind of accounting, we can do it on the
4 surface property enough funds to come in to pay for
5 services so we don't have to burden the state with the
6 operation. It goes through Mike. You have — just the
7 mechanics of that could be worked out. We would have to
8 get — I don't think we'd want to set up a dress
9 department. No. No. That's a long

10 MR. VALLE: A credit department.

11 MR. LEGER: No.

12 MR. VALLE: Parishes.

13 MR. BROUSSARD: This is worthy of more
14 discussion.

15 MR. LEGER: Is that we have parishes making
16 proposals out to the public and offering the lot next door
17 program to them on the basis of art sales and if we put
18 this place and somebody passes on the building to acquire a
19 benefit program, it's — time is of the essence, because
20 they need to be aware of it so they can offer it to the
21 potential purchaser.

22 MR. BROUSSARD: In the spirit of — let me
23 say this. We all feel that way about (inaudible), but I'd
24 like to see the features of it identified in, because on
25 its face, it sounds like we're getting into a very long,

1 lengthy event where we're talking about sunset (inaudible).
2 But, again, I say let's consider that as a matter that we
3 want to revisit with some substantiation.

4 MR. TAYLOR: Yes.

5 MR. BROUSSARD: And we have to work with some
6 of your —

7 MR. LEGER: Is there any way that we can
8 offer some kind of resolution to Walter to take advantage
9 of reflect the pursue this avenue? It's one of the reasons
10 I brought it up.

11 MS. LONGWELL: But you need to make a motion
12 to bring it to an agenda.

13 MR. VALLE: I don't think we need a motion.

14 MR. LEGER: That's fine.

15 MR. VALLE: What I was alluding to was the
16 open meetings. We can't pass a motion without making a
17 judgment, an task force for us.

18 MR. LEGER: MR. VALLE: That's fine.

19 MR. BROUSSARD: And with that, so be it.

20 Gentlemen, we're moving forward. In the
21 spirit of brevity, we did receive a very extensive
22 executive director's report on [] art, because there is an
23 interest to go into executive session. You can dispense
24 with that. We did receive a very exhaustive report from
25 the .

1 Is there any questions? With that in mind,
2 dispense with the report. And our next issue is the
3 financial report. We can []sit on the budget. Is there
4 any need to go into financial discussion?

5 MR. LEGNON: No. If I just may state one
6 thing. In the last meeting you mentioned that we were
7 working with members of OSRAP, which is the Office of State
8 Reporting and Accounting and Policy, to produce our fiscal
9 year statements, and, as a matter of fact, I gave everybody
10 copies of those statements. Those statements are being
11 revised as we speak. They are not ready yet. But I would
12 just ask if you would either return those copies to me or
13 destroy them, please.

14 MS. LONGWELL: I have no report.

15 MR. BROUSSARD: For the benefit of
16 Mr. Raymond, I would defer to the post security and
17 maintenance.

18 MR. ALLEN: I think you have covered that
19 one. You're done with the resolutions for extension of the
20 reloading of the — I concur with everything you said.
21 They are doing an excellent job. So for the record, we've
22 had something of a discussion of an agreement, that's
23 correct.

24 MR. BROUSSARD: Having said that, gentlemen,
25 any old business that we need to revisit or dispense? So

1 we will move to dispense. The next matter on the agenda is
2 the set the meeting date and place for our next briefing.
3 Are you we in a position to do that at this point?

4 We are going to suggest the (inaudible.)

5 MR. BROUSSARD: Opposed. We will defer to
6 staff.

7 Okay. And at this point, as is customary,
8 I'll leave it open for any public discussion.

9 MR. LEGER: Mr. Chairman, before I do, can we
10 return to our monthly meeting — our quarterly meeting.

11 MR. BROUSSARD: Our historical performance
12 has been monthly and, quite frankly, we went forward just
13 because we couldn't get another (inaudible.) But I do like
14 to have — referring to back down monthly (inaudible.)
15 Mike and I think it's going to be — RFP is another —
16 actually, beginning transfer process, one that has to have
17 (inaudible) to address. Do we (inaudible.)

18 MR. VALLE: I apologize. I didn't make —
19 the last meeting didn't occur until the last minute, and
20 that it — because we didn't have a full compliment of our
21 board, we all had to be here, and I had a prior commitment.
22 But I think once we are fully established and we function,
23 as we have to have to majority of the board to have a
24 quorum, the majority of the whole board has to have four
25 board members; you, Joe Williams couldn't be here today,

1 although this morning he was going to be here. Yeah. And
2 so we would have once again failed our quorum if the
3 governor hadn't had the wisdom to track him in. And so
4 once we get to more of — we need to more board members.

5 MS. LONGWELL: Three.

6 MR. VALLE: Two more, two more additional
7 ones, that will make it easier to function on a regular
8 basis.

9 MR. BROUSSARD: All right. Move to — is it
10 easy for us to renegotiate our original policy (inaudible)?

11 MR. LEGER: I'd like to follow through on the
12 last thing is that the new member of the board always
13 (inaudible).

14 MR. BROUSSARD: Any other comments from the
15 floor?

16 Ladies and gentlemen, motion to adjourn.

17 (Proceedings concluded at 2:35 p.m.)