

New Orleans, Louisiana

August 16, 2023

A regular meeting of the Board of Liquidation, City Debt (Board) was held this date at the office of the Board, Room 8E17, New Orleans, Louisiana pursuant to notice duly given as provided by law. The regular meeting was called to order at 4:01 P.M. by the President, Mr. Ralph Johnson. Mr. Johnson asked the Secretary to call the roll and announce the number of members present. The roll call was as follows:

PRESENT:	Mr. Johnson	SEVEN MEMBERS AND
	Mr. Kennedy	A QUORUM
	Mr. Kimbrough*	
	Ms. Markowitz	
	Mr. McDonald**	
	Mr. Montañó (for Mayor Cantrell)	
	Mr. Sloss	

ABSENT:	Councilmember Moreno
	Councilmember Morrell

*Arrived 4:05 PM

**Arrived 4:06 PM

Also present were Mr. William R. Forrester, Jr., legal counsel; Ms. Lisa Lawrence and Ricardo Callender, PFM Financial Advisors and Mr. Shawn Barney, CLB Porter (co-financial advisors); Ms. Tiffaney Spurl Trosclair, Foley & Judell L.L.P., and Ms. Maria Auzenne, Auzenne and Associates LLC, co-bond counsel; Mr. E. Grey Lewis, Sewerage & Water Board.

The notice calling the meeting more than 48 hours prior to the date of the meeting was received and ordered filed in the minutes.

The President welcomed the new board member to the Board of Liquidation, City Debt. The President then asked Mr. Chadrick Kennedy to introduce himself to the Board.

The President asked that we take a moment of silence for the passing of Mayor LaToya Cantrell's husband, Jason Cantrell.

The President stated that the minutes of the regular meeting on November 16, 2022, had been circulated to the members. He asked if there are any comments, there being none the minutes was adopted as circulated.

The President stated that the auditor's letter for the months of October 2022 through December 2022 and January 2023 through June 2023, are in each member's folder for their review. He asked the members to review the letters and address any questions to the Secretary. There being none, the monthly audit letters were ordered filed.

The President asked the Secretary to address item #5 on the agenda, to consider a resolution providing for the issuance and sale of not exceeding Eighty Million Dollars (\$80,000,000) of Sewerage Service Revenue Bonds of the City of New Orleans, Louisiana, in one or more series; making application to the State Bond Commission and seeking authorization from the New Orleans City Council; acknowledging and authorizing reimbursement of expenditures incurred by the Sewerage and Water Board of New

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Orleans (SWBNO) from the proceeds of such bonds; and providing for other matters in connection therewith. The Secretary asked both Ms. Lisa Lawrence with PFM Financial, co-financial advisor, and Ms. Tiffany Spori Trosclair with Foley & Judell L.L.P., co-bond counsel to address the resolution.

Ms. Lawrence delivered a presentation providing information related to outstanding debt and proforma financials for each of the Sewerage, Water and Drainage systems. As noted on page 5 of the presentation, Ms. Lawrence noted that SWBNO must have cash on hand in order to obligate themselves or to enter into contracts. Approval of the resolution authorizes funding for SWBNO's Sewerage System capital funding plans. She noted that this resolution authorizing \$80 million of Louisiana Department of Environmental Quality (DEQ) loans includes \$16 million which is the final tranche of the expected DEQ loans needed to complete the WIFIA program financing plan approved in 2021 and authorizes the Board to initiate the applications to DEQ and the State Bond Commission. The DEQ loans will require another approval by the SWBNO, the City Council of New Orleans, and the BOLCD. She informed the Board that the first Series of \$31 million must close by December 31, 2023, the DEQ's deadline.

Mr. Grey with SWBNO then addressed the Board. He noted that the resolution authorizes the SWBNO to borrow funds for the Sewerage System from the State Revolving Loan Fund to fund the consent decree projects and expressed gratitude that LA DEQ approved this loan commitment that will provide funding to finish the consent decree work by October 2025 deadline. He stated that the remaining \$39 million [net of the \$16 million] is intended for the wastewater treatment plant project located on the Eastbank and Westbank.

Ms. Trosclair stated that this is a preliminary resolution and that the resolution will return to the Board for final approval after it goes to the State DEQ office, State Bond Commission, SWBNO, and City Council. At that time, the bond resolution will have the full details of the loan, and reflect an interest rate of 0.95%. She said this resolution approves the issuance and sale of not exceeding Eighty Million Dollars (\$80,000,000) in one or more series. At this time, what is known is that there will be two series, the interest rate will be 0.95%, and terms not to exceed 22 years. Ms. Auzenne stated that this resolution also repeals and replaces the original resolution for \$35 million passed by the Board in 2022. Ms. Trosclair stated that the \$35 million is the series of debts that we hope to issue by the end of the year, which is the amount that is set to expire from the initial commitment letter from LADEQ that was approved in 2021. She explained that the Resolution repeals the old approval and combines the two DEQ requests for a not to exceed \$80 million resolution.

The President asked if there were any questions or further discussion and asked for a motion.

Mr. Sloss moved to consider a resolution providing for the issuance and sale of not exceeding Eighty Million Dollars (\$80,000,000) of Sewerage Service Revenue Bonds of the City of New Orleans, Louisiana, in or more series; making application to the State Bond Commission and seeking authorization from the New Orleans City Council; acknowledging and authorizing reimbursement of expenditures incurred by the Sewerage and Water Board of New Orleans from the proceeds of such bonds; and providing for other matters in connection therewith. Ms. Markowitz seconded and on roll call, the vote was as follows:

AYES: JOHNSON; KENNEDY; KIMBROUGH; MARKOWITZ;
McDONALD; MONTAÑO (FOR MAYOR CANTRELL); SLOSS

NAYS: NONE

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ABSENT: MORENO; MORRELL

And the resolution was adopted.

The President asked the Secretary to address item #6 on the agenda, to authorize the issuance of the request for proposals (RFPs) to solicit auditors, bond counsel, and financial advisors to the BLCD for the next 3 fiscal years. The Secretary stated that every three (3) years, BLCD issues an RFP for these professional services and that currently, the Board has contracts in place for these three services. The bond counsels are Foley & Judell, L.L.P., and Auzenne & Associates, LLC. Financial Advisors are PFM Financial Advisors LLC and CLB Porter LLC. Then he stated for the auditors, there are Paciera, Gautreau & Priest, LLC and E.K. Lozano & Company, LLC. Mr. Madison stated that in the latest RFP proposal by the Board, there was a clause that stated that the Board could extend the contract for another two years if they choose. This means that rather than authorizing the issuance of the RFP today, the Board can decide to extend the current contracts for two more years. If the Board decides not to extend, then we would have to issue the proposals by October, get the proposals back by November, review them, and come before the Board for the November meeting for approval of the new terms for professional services. He stated that the current firms have been with the Board for a while and have been doing a good job. However, if the Board decides that they would like to issue the RFPs, then we can move forward with that as well. He stated that the Board usually advertises in the Bond Buyer, City Business, local newspapers, and on our website. Mr. Sloss asked if there are other firms that do the same type of work as Foley & Judell. The Secretary answered “yes” that there are other local firms and national firms. Ms. Markowitz asked, “Was the last RFP done in 2020 or 2021?” Mr. Madison said it was done in 2020. Mr. Kimbrough inquired if there has ever been a change of firm as a result of an RFP and, as this matter is being considered, does the blanket extension extends to all three services. Mr. Madison stated that all firms remained the same after the last RFP process and it is the option of the Board to extend the contracts for each of the services.

Ms. Markowitz asked, “if this is just limited to a one-time two-year extension?” Mr. Madison stated that this it is just a one-time extension of two years.

The President asked for a motion.

Mr. Sloss moved to authorize the extension of the professional contracts [auditors, bond counsel, and financial advisors] for BLCD for another two years. Mr. Montaña (For Mayor Cantrell) seconded and on roll call, the vote was as follows:

AYES: JOHNSON; KENNEDY; KIMBROUGH; MARKOWITZ;
McDONALD; MONTAÑO (FOR MAYOR CANTRELL); SLOSS

NAYS: NONE

ABSENT: MORENO; MORRELL

And the motion was adopted.

The President asked the Secretary to address item #7 on the agenda, to select a President and Vice President from the current syndicate members. The Secretary stated that the Home Rule charter calls for the board to elect a new President and Vice President annually to serve from July 1st through June 30th or

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until the successors are elected and qualified. The President asked if there were a motion for president. Mr. Sloss motioned Mr. Ralph Johnson for president. Ms. Markowitz seconded and on roll call, the vote was as follows:

AYES:	JOHNSON; KENNEDY; KIMBROUGH; MARKOWITZ; McDONALD; MONTAÑO (FOR MAYOR CANTRELL); SLOSS
NAYS:	NONE
ABSENT:	MORENO; MORRELL

And the motion was adopted.

Then the President asked if there were any motions for the Vice President. He stated that the current Vice President is Mr. Sloss. Ms. Markowitz motioned Mr. Poco Sloss for Vice President. Mr. McDonald seconded and on roll call, the vote was as follows:

AYES:	JOHNSON; KENNEDY; KIMBROUGH; MARKOWITZ; McDONALD; MONTAÑO (FOR MAYOR CANTRELL); SLOSS
NAYS:	NONE
ABSENT:	MORENO; MORRELL

And the motion was adopted.

There being no further business to come before the Board, Mr. Kimbrough motioned for adjournment, Mr. Montaña (For Mayor Cantrell) seconded, there being no objections, the meeting was adjourned by the President at 4:41 P.M.

Tracy D. Madison
Secretary