

**CFDF Corporation**

**Minutes of Meeting**

**Tuesday, June 29, 2005**

**I. Call to Order: Meeting was called to order at 6:05 pm**

**II. Roll Call: Present were Casey Andrade, Eugene Raquier, Augie O'Connor, Maurice Brousseau and Al Romanowicz. Also present were Peter St. Jean, Chris Orton, Tony Ventetuolo, Ray Meador, Don Hunt and Dave Mullen**

**III. Secretary's Report: On a motion by Augie O'Connor seconded by Maurice Brousseau the Board voted 5-0 to accept the minutes of the regular business meeting held May 31, 2005.**

**IV. Treasurer's Report: On a motion by Maurice Brousseau, seconded by Casey Andrade the Board voted 5-0 to accept the Balance Sheet as of May 31, 2005.**

**V. Finance Presentation: Executive session was taken out of order so that the finance committee could give a presentation to the Board. The presentation was made by Ray Meador of Public Asset Management, David Mullen of Piper Jaffray and Donald Hunt from Fulbright & Jaworski. The financing team reported that the closing was scheduled for Thursday, June 30, 2005. It also presented a**

**Sources and Uses of Funds for the entire closing which totaled \$106.3M which included the refinancing of the 1998 Bonds as well as new construction costs and development and soft costs. The committee also noted that the 3.5 million dollar interim loan had been defeased as a result of the refinancing. Don Hunt, Bond Council for the issue, discussed legal issues and indicated that all documents were reviewed, approved and ready to be executed. Al Romanowicz and other Board members signed appropriate documentation for the closing to be held on the 30th. Ray Meador, Don Hunt and Tony Ventetuolo discussed the ongoing financial disclosure documents which are much more involved and comprehensive with the new bond issue. In addition the various financial bookkeeping processes used by the Board at the present time will need to be revamped in order to be more responsive to the ongoing disclosure requirements of the new bonds. Tony Ventetuolo and Ray Meador will discuss this with the Board at subsequent meetings in an effort to develop a response to meet these changing needs.**

## **VI. Old Business:**

### **a. Project Status:**

**1. Tony Ventetuolo discussed a variety of issues of the project status to include the formal authorization of the project as an enterprise zone, the completion of the final preliminary design plans by O. Ahlborg & Sons (OAS), the status of the environmental Phase I and Phase II of the existing site and the ongoing zoning issues which the Corporation will need to address, specifically there will need to be a**

**parking variation of the existing zoning code to be applied to by the Contractor as part of his duties.**

**2. Insurance: A letter was provided to the Board indicating that AVCORR has determined that the Contractor will need the \$5 M Errors and Omissions insurance over the next five years. That letter and the documentation provided by OAS was presented to the Board.**

**3. Fink Lease Agreement: The Fink lease agreement and the buy-out provisions were provided to Board members. Chris Orton responded to several questions about the new lease agreement.**

**4. Independent Contract Monitor: Ventetuolo discussed the requirement by the Bondholders that an independent contract monitor be hired to look at approval of all payments during the construction phase and report directly to the Bondholders regarding that process. Costs for the independent contract monitor will be paid for by Piper Jaffray out of their discount at closing.**

**5. PLA: It was reported by Chris Orton that the final PLA has been drafted and accepted by all but two unions, The Carpenters and The Teamsters. It is anticipated that this agreement will aid eliminating any potential work stoppages.**

**6. Contractor Drawer Schedule: Mr. Ventetuolo presented the Board with the Contractor Drawer Schedule which shows when the Contractor is expected to complete the major benchmarks and the financial drawers that go along with that process.**

**b. Office of Detention Trustee Negotiations: Mr. Ventetuolo provided the Board with a letter from the Dutko Group which summarizes the**

**status of negotiations between the Board and the Office of Detention Trustee. Also included were emails that indicates that the current per diem will be increased by 3% effective January 1, 2005. Once the issue is closed the Board, through AVCORR and The Dutko Group, will move to expeditiously develop the final contract with the Office of Detention Trustee. It is also noted that the Board's IRS Bond attorney has ruled that a minimum guaranteed bed cannot be provided since it is in violation of the IRS.**

**VII. Executive Session: On a motion by Augie O'Connor seconded by Maurice Brousseau the board voted 5-0 to go into executive session at 7:15 pm to discuss security and property acquisition. The Board came out of executive session at 7:25 pm.**

**VIII. New Business:**

**a. FY2004 Annual Report: The Board was provided with copies of the new FY2004 Annual Report which will be going to design and printing over the next several days.**

**b. Donation: The Board was also provided with a request by Councilman Leger for a donation to the local American Legion Sponsorship. On a motion by Maurice Brousseau seconded by Gene Racquier the Board voted 5-0 to approve a donation of \$1500.00 to the American Legion Sponsorship to sponsor a team in that league.**

**IX Other: On a motion by Maurice Brousseau seconded by Gene**

**Racquier the Board voted 5-0 to approve payment of requisitions #OMF -165, #CIF-115, #CIF-116, and #CIF-117.**

**X. Adjournment: On a motion by Maurice Brousseau and seconded by Casey Andrade the Board voted 5-0 to adjourn at 7:30 PM.**