

New Orleans, Louisiana  
October 20, 2021

A regular meeting of the Board of Liquidation, City Debt (Board) was held via video conference this date online at [www.zoom.us meeting number 834 1867 5470](https://www.zoom.us/j/83418675470), per the Governor's Proclamation 182 JBE 2021, and pursuant to notice duly given as provided by law. The regular meeting via video conference was called to order at 4:02 P.M. by the President, Ms. Mary K. Zervigon. Ms. Zervigon asked the Secretary to call the roll and announce the number of members present. The roll call was as follows:

PRESENT:	Councilmember Glapion	SEVEN MEMBERS
	Mr. Johnson	AND A QUORUM
	Mr. Kimbrough	
	Mr. McDonald*	
	Mr. Montañño (for Mayor Cantrell)	
	Mr. Sloss	
	Ms. Zervigon	

ABSENT: Councilmember Moreno

VACANT: 1 board member vacancy

\*Arrived 4:03PM

Present at the Board's office was Mr. William R. Forrester, Jr., legal counsel and Mr. Jason Akers, Foley & Judell L.L.P., co-bond counsel. Also, present via video conference were Mr. Shawn Barney and Mr. Kyle Wright, CLB Porter (co-financial advisors); Ms. Lisa L. Daniel, Ricardo Callender and Robert Wilson, PFM Financial Advisors (co-financial advisors); Ms. Tiffany Spurl, Foley & Judell L.L.P. and Ms. Maria Auzenne, Auzenne and Associates LLC, co-bond counsels; Mr. Ghassan Korban, and Mr. E. Grey Lewis, Sewerage & Water Board.

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

The President acknowledged the Governor's Proclamation Number 75, allowing state and municipal boards and commissions to continue to hold essential meetings via telephone and video conference. The Secretary stated that in accordance with 182 JBE 2021, the meeting notice constitutes a certification by the Board of Liquidation, City Debt, that meeting by video-conference is necessary because of the social distancing mandates imposed by the Governor and the Mayor of the City of New Orleans and that the Board would otherwise be unable to operate due to the quorum requirements of La. R.S. 42:19 – insofar as they mandate the physical presence of Board members in one location.

The President stated that the minutes of the August 18, 2021, special meeting held via video conference had been circulated to the members. She asked if there were any comments. There being none, the minutes were adopted as circulated.

The President asked the Secretary to address item #4 on the agenda, to consider bids received from prospective underwriters/bank purchasers for negotiated sale of not to exceed Six Million Five Hundred Thousand Dollars (\$6,500,000) of the Downtown Development District Limited Tax Refunding Bonds, Series 2021 of the City of New Orleans. The Secretary stated that bids received were for the prospective

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refinancing of the \$6,500,000.00 of the Downtown Development District Limited Tax Refunding Bonds, Series 2021. The Secretary stated that Mr. Ricardo will summarize the bids process.

Mr. Ricardo, co-financial advisor, stated that the Board conducted a Request for Proposal (RFP) process to solicit direct lending bids to purchase the Downtown Development District Limited Tax Refunding Bonds, Series 2021. This RFP was distributed on September 27, 2021 and the bids were due on October 13, 2021 and through that bid process there were three proposals received from banking institutions to purchase the bond. Those banks that submitted proposals were Truist Bank, which was formerly known as Sun Trust and BB&T and they merged to be now called Truist Bank; DNT Asset Trust which is a subsidiary of JP Morgan, and iBERIABANK. Of those three banks, the low cost provider for the bonds was Truist Bank which had an average cost of capital of TIC (True Interest Cost) 1.73%. The cover bid was JP Morgan at 2.07% average cost of capital with a 0.34% difference. Mr. Callender stated that based on this information the co-financial advisors would recommend that the Board of Liquidation accepts Truist Bank as the purchaser of the bonds. The Secretary stated that all members were emailed the recommendation letter from the co-financial advisors.

The President asked if there were any questions or further discussion and asked for a motion. Mr. Sloss inquired about iBERIABANK's bid and Mr. Callender stated that iBERIABANK's bid was 2.17%.

Mr. Sloss moved to adopt the resolution to consider bids received from prospective underwriters/bank purchasers for negotiated sale of not to exceed Six Million Five Hundred Thousand Dollars (\$6,500,000) of the Downtown Development District Limited Tax Refunding Bonds, Series 2021 of the City of New Orleans and other matters in connection therewith. Mr. Johnson seconded and on roll call the vote was as follows:

AYES: GLAPION, JOHNSON, KIMBROUGH, McDONALD, MONTAÑO  
(FOR MAYOR CANTRELL), SLOSS; ZERVIGON

NAYS: NONE

ABSENT: MORENO

VACANT: 1 BOARD MEMBER VACANCY

And the resolution was adopted.

The President asked the Secretary to address item #5 on the agenda, to consider the resolution providing for the issuance and sale of not to exceed Six Million Five Hundred Thousand Dollars (\$6,500,000) of the Downtown Development District Limited Tax Refunding Bonds, Series 2021 of the City of New Orleans and other matters in connection therewith. The Secretary stated that Ms. Maria Auzenne from Auzenne and Associates LLC, co-bond counsel, will speak to this resolution.

Ms. Maria Auzenne stated that preliminary resolution for this bond issuance has been approved by the Board of Liquidation, the City Council and the State Bond Commission. Ms. Auzenne stated that this resolution is mainly ratifying what the Board had just approved of Truist Bank to be the purchaser. Also, the Board of Liquidation will act as the paying agent and the conditional call has been confirmed which will be executed by the Bank of New York Mellon. Ms. Auzenne explained that this conditional call is on the outstanding amount to be refunded from the 2012 issuance. She asked if there are any further questions.

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

Mr. Johnson moved to adopt the resolution to consider providing for the issuance and sale of not to exceed Six Million Five Hundred Thousand Dollars (\$6,500,000) of the Downtown Development District Limited Tax Refunding Bonds, Series 2021 of the City of New Orleans and other matters in connection therewith. Mr. Sloss seconded and on roll call the vote was as follows:

AYES: GLAPION, JOHNSON, KIMBROUGH, McDONALD, MONTAÑO  
(FOR MAYOR CANTRELL), SLOSS; ZERVIGON

NAYS: NONE

ABSENT: MORENO

VACANT: 1 BOARD MEMBER VACANCY

And the resolution was adopted.

The President asked the Secretary to address item #6 on the agenda, to consider a resolution authorizing the issuance of the not exceeding Two Hundred Seventy Five Million Dollars (\$275,000,000) Sewerage Service Revenue Bonds (WIFIA Projects), Series 2021 of the City of New Orleans, Louisiana; providing for the sale of said bonds to the United States Environmental Protection Agency; and taking other actions in connection therewith. The Secretary stated that Mr. Jason Akers from Foley & Judell, L.L.P., co-bond counsel, will speak on the resolution.

Mr. Jason Akers stated that Lisa Daniel will also speak on this resolution as well. He stated that this resolution is a culmination of a two plus year process that began with the City Administration and the Sewerage & Water Board Administration identifying Water Infrastructure Finance and Innovation Act (WIFIA) as a funding source for a number of sewer repairs throughout the city; specifically they have identified over 160 different sewer line replacement projects that will be funded by this WIFIA loan. The projects touch every portion of the city and many are Joint Infrastructure Program (JIRR) projects that are going to be undertaken in consultation with the City itself and this loan will fund the Sewerage & Water Board portion of that funding. Mr. Akers stated that it is a low interest term loan, so it is really akin to the DEQ revolving loan that was done previously for Sewerage & Water Board. This means that there is a construction period and during that construction period funds are advanced by the lender on an as needed basis pursuant to a requisition. He said the requested amount comes to Board of Liquidation, and a portion goes into the reserve fund and the remainder is held at the Board until SWB draws down the funds in a warrant to reimburse for project costs. The interest only accrues on the funds as they are advanced, which is a way to keep the interest cost low during the construction period. He said at the conclusion of the construction period, there is a principal amortization that goes to December 1, 2057; so this is a thirty-six year plus borrowing at a fixed interest rate. The interest rate is not known right now because it is not set until closing which is anticipated to be November 10, 2021. Mr. Akers then asked Ms. Lisa Daniel with PFM Financial, co-financial advisor, to speak about what the estimated interest rate is now and other financial data that she feels would be relevant to the discussion.

Ms. Lisa Daniel stated the rate that Jason mentioned is a formula driven rate based upon the federally published state and local government security (SLGS) rate that is published every day. As of today, that rate is 2.07%, so the rate on the note would be 2.08%; it is SLGS rates plus one which is substantially lower than what it would be to issue traditional revenue bonds for the same term in the marketplace.

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She said right now we are looking at principal amortizing from 2021 to 2057, effectively wrapping around the existing debt to enable the City and SWB to provide pretty stable rates for debt service across the term of the bonds. The average life of the bonds is twenty-seven years and that is contingent on rates movement until November 10, 2021 at which time we can lock in the rate. There has been an increase in rates since it was last reported of about twenty-five basis points, so let's keep our fingers cross that the rate does not increase anymore.

Mr. Akers then spoke about the resolution itself; the resolution is the final approval of the WIFIA loan and it includes the approval of the WIFIA loan agreement and the term sheet which are critical documents in connection with the financing. Mr. Akers said he would like to take this time to thank the whole Board of Liquidation team, SWB team, and co-bond counsels for spending the time to work through very voluminous documents and he think we are at an advantageous place now. He said if it is approved in the present form and if there are any changes from this point forward, then Ms. Zervigon will have to sign off on them with the consent of counsel to the Board and co-financial advisors. Mr. Akers stated that they are very satisfied with where this is now and are happy to answer any questions.

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

Mr. Sloss moved to adopt the resolution to consider a resolution authorizing the issuance of the not exceeding Two Hundred Seventy Five Million Dollars (\$275,000,000) Sewerage Service Revenue Bonds (WIFIA Projects), Series 2021 of the City of New Orleans, Louisiana; providing for the sale of the Series 2021 Bonds to the United States Environmental Protection Agency; and taking other actions in connection therewith. Mr. Montañó seconded and on roll call the vote was as follows:

AYES: GLAPION, JOHNSON, KIMBROUGH, McDONALD, MONTAÑO  
(FOR MAYOR CANTRELL), SLOSS; ZERVIGON

NAYS: NONE

ABSENT: MORENO

VACANT: 1 BOARD MEMBER VACANCY

And the resolution was adopted.

Ms. Zervigon asked if there was any other business to come before the Board of Liquidation, City Debt.

The Secretary asked the Board to pause for a moment of silence in remembrance of a faithful member, Mr. Henry "Skip" O'Connor. He passed away the day after our last meeting, on August 19, 2021. Mr. Skip served the board faithfully from November 1, 2012 until his death on August 19, 2021.

The Secretary then informed the President that at the next meeting, we will have to elect a Vice-President because Mr. O'Connor served as the Vice-President of the Board of Liquidation. He also said that the next meeting will be at 12:00PM, November 17, 2021, which will be a Bond Sale for Audubon Park's \$40,000,000.00 transaction.

Ms. Zervigon asked if there was any other business to come before the Board of Liquidation, City Debt. There being no objections, the meeting was adjourned by the President at 4:20 P.M.

Tracy D. Madison  
Secretary