
OFFICE OF GOVERNOR RONNIE MUSGROVE
INTEROFFICE MEMORANDUM

TO: BOYD
FROM: RILEY
SUBJECT: DONNA SANFORD: MEETING WITH DICK HALL ON MDOT FUNDING
DATE: 8/23/2000
CC: SIMMONS
FILE

Donna Sanford came by yesterday afternoon. She said that Marshall Bennett met with Dick Hall on Tuesday. Gary Anderson arrived at the meeting late and she said that he and Hall basically exchanged a few words and that Hall basically told Anderson that he'd tell the Governor the same thing if the Governor would return his phone call. Sanford said that Bennett finally told Hall that he (Bennett) didn't have the authority to put MDOT in the call for the special session and that Hall needed to quit griping and start working towards a solution. She said that Bennett took Hall into his office after the meeting and told him that he is free to call Bennett or the Governor whatever he wants in the Clarion Ledger, but that he needs to quit contacting the bond publications because he is shooting MDOT and the state in the foot.

Sanford said that, as it stands now, it seems to be the general consensus that the Bond Commission will issue another \$100 million in 12-year bonds for the Gaming Program. MDOT has the authority for this amount, the state will not incur any cost, and it will not go against the state's bond debt ratio.

Sanford said that Anderson wants to require MDOT to conduct some financial planning in order for this \$100 million to be issued. She said that Freide Luzzatto, the financial advisor on the \$200 million Garvee bonds issued on the 1987 Four Lane Program, is going to request that MDOT explain some numbers related to the Garvee bonds in order to ensure that the bonds retain their rating. This will enable Freide Luzzatto to provide financial planning to MDOT and it will be from an independent third-party who is already familiar with MDOT programs.

As to the 1987 Four Lane Program, Sanford said that MDOT has enough state funds to draw down available federal funds. She said MDOT could afford to divert some state funds from the 1987 Program to the Off-87 Program, but this would require legislative authority.

Sanford said that the Bond Commission will meet on September 11 and that she and Anderson will meet with the Governor on September 8 to discuss these matters.