

## **MARYLAND HEALTH AND HIGHER EDUCATIONAL FACILITIES AUTHORITY**

A public meeting of the Maryland Health and Higher Educational Facilities Authority was convened at 10:00 a.m., Tuesday, April 7, 2020, with Mr. Arnold Williams, Chairman, presiding. As a result of the Proclamation of the Governor of the State of Maryland dated March 30, 2020 declaring a State of Emergency and a Healthcare Emergency, the meeting was conducted remotely via conference line.

Present:

- Arnold Williams, Chairman
- Sheila K. Riggs, Vice Chairman
- Treasurer Nancy K. Kopp, Ex officio
- James P. Daly, Jr., Member
- Frederick W. Meier, Jr., Member
- Mamie Johns Perkins, Member
- John Phelps, Member
- Bonnie Phipps, Member
- W. Daniel White, Member
- Bernadette Benik, Chief Deputy Treasurer, Designee of Treasurer
- Bart Savidge, Executive Director
- Lynn Gorman-Lepson, Chief Financial Officer
- John Bennett, Accounting & Compliance Officer
- Elizabeth A. McKennon, Bond Counsel
- David W. Gregory, Bond Counsel
- William Taylor, IV, Bond Counsel
- Errol Brick, Financial Advisor
- Alford Evans, Financial Advisor

Absent: None

Special Guests: See attached

### **APPROVAL OF MINUTES**

The minutes of the March 3, 2020 regular meeting of the Authority were approved.

### **PENINSULA REGIONAL HEALTH SYSTEM**

Mr. White disclosed the fact that he is a retired Executive Vice President, Assistant Secretary, Assistant Treasurer and member of the Board of Directors of The Whiting-Turner Contracting Company, which may be the Construction Manager for all or a portion of the Peninsula Regional Health System project. He abstained from all deliberation and action regarding Peninsula Regional Health System.

Mr. Bruce Ritchie, Vice President of Finance of Peninsula Regional Health System (PRHS), provided an update on the Project, the Plan of Finance and PRHS's credit rating profile

and offered to answer questions. S&P and Moody's have rated PRHS "A" and "A3" with stable outlooks, respectively.

Mr. Savidge asked the Members to consider a resolution authorizing the issuance from time to time of the Authority's revenue bonds in a principal amount not exceeding \$140,000,000 and delegating to any one Member of the Authority the power to approve the principal amount of the bonds, the interest rate and other terms of the bonds and other matters in connection with the issuance, sale and delivery of such bonds.

Following discussion, the Authority, on motion by Mr. Daly, seconded by Mrs. Perkins, adopted the following resolution (Affirmative – Williams, Riggs, Kopp, Daly, Meier, Perkins, Phelps and Phipps; Negative – none; Abstain – White):

### **PENINSULA REGIONAL HEALTH SYSTEM BOND AUTHORIZING RESOLUTION**

A RESOLUTION AUTHORIZING THE ISSUANCE, SALE AND DELIVERY BY MARYLAND HEALTH AND HIGHER EDUCATIONAL FACILITIES AUTHORITY (THE "AUTHORITY") OF ITS REVENUE BONDS IN AN AGGREGATE PRINCIPAL AMOUNT (DETERMINED AS PROVIDED HEREIN) NOT EXCEEDING \$140,000,000 IN ORDER TO LEND THE PROCEEDS THEREOF TO PENINSULA REGIONAL HEALTH SYSTEM, INC. (THE "INSTITUTION") AND CERTAIN OF ITS AFFILIATES, FOR THE PURPOSE OF FINANCING AND REFINANCING CERTAIN CAPITAL PROJECTS FOR THE INSTITUTION AND CERTAIN OF ITS AFFILIATES AND REFUNDING (1) ALL OF THE OUTSTANDING DELAWARE HEALTH FACILITIES AUTHORITY'S REVENUE BONDS (NANTICOKE MEMORIAL HOSPITAL PROJECT) SERIES 2013 AND (2) THE MAY 25, 2016 U.S. DEPARTMENT OF AGRICULTURE RURAL HOUSING SERVICE LOAN; AUTHORIZING ANY MEMBER OF THE AUTHORITY TO SPECIFY, PRESCRIBE, DETERMINE, PROVIDE FOR AND APPROVE CERTAIN MATTERS, DETAILS, FORMS, DOCUMENTS AND PROCEDURES PERTAINING TO THE AUTHORIZATION, SALE, ISSUANCE, DELIVERY AND PAYMENT OF AND FOR SUCH REVENUE BONDS; AND PROVIDING FOR AND DETERMINING VARIOUS MATTERS IN CONNECTION WITH THE FOREGOING.

### **RECITALS**

Maryland Health and Higher Educational Facilities Authority (the "Authority") has received an application from Peninsula Regional Health System, Inc., a nonprofit corporation formed under the laws of the State of Maryland (the "Institution"), for the financing and refinancing by the Authority of a portion of the cost of certain capital projects (the "2020 Project") and the refunding of all of (1) the outstanding Delaware Health Facilities Authority's Revenue Bonds (Nanticoke Memorial Hospital Project) Series 2013 (the "Refunded Bonds") and (2) the USDA May 25, 2016 U.S. Department of Agriculture Rural Housing Service Loan (the "USDA Loan") pursuant to the Maryland Health and Higher Educational Facilities Authority Act, Sections 10-301 through 10-356, inclusive, of the Economic Development Article of the Annotated Code of Maryland, as amended (the "Act").

The Project consists of: (1) the 2020 Project, which may include (without limitation) (a) the acquisition of land and the construction thereon of a freestanding medical facility to replace the former McCready Memorial Hospital, (b) renovations and equipment for a 15-bed pediatric behavioral health unit at the Peninsula Regional Medical Center and (c) capital improvements, upgrades, internal renovations and equipment acquisition at Peninsula Regional Medical Center and Nanticoke Memorial Hospital ; and (2) the facilities financed and refinanced with proceeds of the Refunded Bonds and the USDA Loan (collectively, the "Project").

At the request of the Institution, the Authority has determined to authorize the issuance of revenue bonds under the Act for the purpose of financing and refinancing the Project.

NOW, THEREFORE, BE IT RESOLVED BY MARYLAND HEALTH AND HIGHER EDUCATIONAL FACILITIES AUTHORITY THAT:

**SECTION 1.** The Authority is hereby authorized to issue, sell and deliver its revenue bonds (the "2020 Bonds") in an aggregate principal amount not to exceed \$140,000,000. The 2020 Bonds shall be issued pursuant to the Peninsula Regional Medical Center Bond Resolution or other resolution or trust agreement (the "Resolution"), which shall contain such terms, provisions and conditions as shall be approved by the Authorized Member (hereinafter defined). The 2020 Bonds may be issued in one or more series. In determining the principal amount of 2020 Bonds issued pursuant to this resolution, each 2020 Bond issued at a discount from the stated amount thereof due at maturity shall be deemed to be issued in a principal amount equal to the gross proceeds realized from the sale of such 2020 Bond. Accordingly, it is expressly contemplated that the face amount of the 2020 Bonds may exceed the maximum aggregate principal amount of 2020 Bonds authorized hereby.

The proceeds of the 2020 Bonds shall be loaned to the Institution and certain of its affiliates (collectively, the "Obligated Group Members") pursuant to a master loan agreement (the "Master Loan Agreement") between the Authority and the Obligated Group Members, which shall contain such terms, provisions and conditions as shall be approved by the Authorized Member, for the public purpose of financing and refinancing the 2020 Project and refunding the Refunded Bonds and the USDA Loan in order to enable the Obligated Group Members to provide, and to finance and refinance at the least cost to the users thereof, the Project, for the benefit of the people of the State of Maryland, the increase of their commerce, welfare and prosperity and the improvement of their health and living conditions. The Authority hereby determines that the financing and refinancing of the Project for the benefit of Peninsula Regional Medical Center, Inc. ("Peninsula") and its affiliates, including without limitation, the Institution and Nanticoke Memorial Hospital, Inc., serves the public purpose of Peninsula.

**SECTION 2.** As permitted by the Act, one or more series of the 2020 Bonds shall be sold at a private (negotiated) sale to Morgan Stanley & Co. LLC, BofA Securities, Inc. and M&T Securities, Inc. (collectively, the "Underwriters") pursuant to a bond purchase agreement, at a price or prices at, above or below par and upon such terms as the Authorized Member deems to be in the best interest of the Authority.

**SECTION 3.** Any Member of the Authority (the "Authorized Member") is hereby authorized to specify, prescribe, determine, provide for or approve, all within the limitations of

this resolution and the Act, all matters, details, forms, documents and procedures pertaining to the sale, security, issuance, delivery and payment of or for the 2020 Bonds, including (without limitation):

(a) the principal amount of 2020 Bonds issued at any one time or from time to time;

(b) the purchase price or prices to be paid to the Authority by the Underwriters for 2020 Bonds issued at any one time or from time to time;

(c) the rate or rates of interest payable on the 2020 Bonds, or the method of determining the same;

(d) with respect to 2020 Bonds issued at any one time or from time to time that are offered to the public at a premium or discount from their stated principal amount due at maturity, the price or prices at which such 2020 Bonds are offered initially to the public;

(e) the date or dates of maturity of the 2020 Bonds issued at any one time or from time to time, the payment provisions therefor, the optional and mandatory redemption provisions thereof, including (without limitation) the mandatory sinking fund installments (if any) for such 2020 Bonds, the designation or designations of the 2020 Bonds and the date of issuance thereof;

(f) the form, tenor, terms and conditions of the 2020 Bonds, and provisions for the registration and transfer of the 2020 Bonds;

(g) the form and contents of, and provisions for the execution and delivery of, such documents as the Authorized Member shall deem necessary or desirable to evidence, secure or effectuate the issuance, sale and delivery of the 2020 Bonds, the loan of the proceeds of the 2020 Bonds to the Obligated Group Members, the refunding of the Refunded Bonds and the USDA Loan and the financing and refinancing of the 2020 Project, including (without limitation) the Resolution, the Master Loan Agreement and any security agreements, letters of credit, bond insurance policies or other credit or liquidity support securing the 2020 Bonds, financing agreements and other similar agreements;

(h) provision for the administration of the 2020 Bonds, including (without limitation) the appointment of a trustee under the Resolution, and the appointment of any paying agents, registrars, escrow agents or other agents as the Authorized Member shall deem necessary or desirable to effectuate the transactions authorized hereby;

(i) the preparation and distribution, in conjunction with representatives of the Obligated Group Members and the Underwriters, of a preliminary official statement and a final official statement in connection with the sale of the 2020 Bonds;

(j) the form and contents of, and provisions for the execution and delivery of, a contract or contracts for the purchase and sale of the 2020 Bonds;

(k) procedures for the approval of change orders and substitutions for the construction, renovations, equipment and other improvements included within the 2020 Project by an authorized officer on behalf of the Authority;

(l) the creation of security for the 2020 Bonds, which may include (without limitation) provisions for securing any indebtedness or other obligations incurred in connection with the issuance of the 2020 Bonds, including (without limitation) any interest rate swap agreement, on parity with outstanding revenue bonds previously issued by the Authority pursuant to any resolution or trust agreement executed and delivered by the Authority, the execution and delivery by an Authorized Member of any supplemental resolution or trust agreement providing therefor to constitute conclusive evidence of the determination by the Authority that all of the conditions to the issuance of parity debt under such resolution or trust agreement have been met to the satisfaction of the Authority; and

(m) such other matters in connection with the authorization, issuance, execution, sale, delivery and payment of the 2020 Bonds and the security for the 2020 Bonds and the consummation of the transactions contemplated by this resolution as may be deemed appropriate and approved by the Authorized Member, including (without limitation) the establishment of procedures for the execution, acknowledgment, sealing and delivery of such other and further agreements, documents and instruments as are or may be necessary or appropriate to consummate the transactions contemplated by this resolution in accordance with the Act and this resolution.

SECTION 4. The Authorized Member and the Executive Director of the Authority are hereby authorized from time to time after the issuance of the 2020 Bonds to take any action required or permitted to be taken by or on behalf of the Authority under the Act, the Resolution, the Master Loan Agreement or other document or instrument executed and delivered in connection therewith, including (without limitation) providing any consent, approval or direction required or permitted thereunder, entering into any amendment of or supplement to any of the foregoing and entering into any agreement providing for the replacement of, substitution for or addition of (as the case may be) any credit or liquidity facility, remarketing agent, trustee or other agent, subject to the requirements of the Act and any other agreement by which the Authority is bound.

SECTION 5. This resolution shall take effect immediately.

## **UPMC (UNIVERSITY OF PITTSBURG MEDICAL CENTER)**

Mr. White disclosed the fact that he is a retired Executive Vice President, Assistant Secretary, Assistant Treasurer and member of the Board of Directors of The Whiting-Turner Contracting Company, which may be the Construction Manager for all or a portion of UPMC project. He abstained from all deliberation and action regarding UPMC.

Mr. James Konieczny, Assistant Treasurer of UPMC, provided an update on the project, the plan of finance, UPMC's credit rating profile and offered to answer questions. Mr. Konieczny stated that UPMC's credit ratings were downgrade one notch to "A2", "A", "A", from Moody's, S&P and Fitch, respectively. He stated that UPMC was experiencing lower operating margins due to increased competition.

Mr. Savidge asked the Members to consider a resolution authorizing the issuance from time to time of the Authority's revenue bonds in a principal amount not exceeding \$300,000,000 and delegating to any one Member of the Authority the power to approve the principal amount of the bonds, the interest rate and other terms of the bonds and other matters in connection with the issuance, sale and delivery of such bonds.

Following discussion, the Authority, on motion by Treasurer Kopp, seconded by Mr. Daly, adopted the following resolution (Affirmative – Williams, Riggs, Kopp, Daly, Meier, Perkins, Phelps and Phipps; Negative – none; Abstain – White):

### **UPMC BOND AUTHORIZING RESOLUTION**

A RESOLUTION AUTHORIZING THE ISSUANCE, SALE AND DELIVERY BY MARYLAND HEALTH AND HIGHER EDUCATIONAL FACILITIES AUTHORITY (THE "AUTHORITY") OF ITS REVENUE BONDS IN AN AGGREGATE PRINCIPAL AMOUNT (DETERMINED AS PROVIDED HEREIN) NOT EXCEEDING \$300,000,000 IN ORDER TO LEND THE PROCEEDS THEREOF TO UPMC (THE "INSTITUTION"), FOR THE PURPOSE OF FINANCING AND REFINANCING CERTAIN INDEBTEDNESS OF THE INSTITUTION INCURRED TO FINANCE THE ACQUISITION OF WESTERN MARYLAND HEALTH SYSTEM CORPORATION; AUTHORIZING ANY MEMBER OF THE AUTHORITY TO SPECIFY, PRESCRIBE, DETERMINE, PROVIDE FOR AND APPROVE CERTAIN MATTERS, DETAILS, FORMS, DOCUMENTS AND PROCEDURES PERTAINING TO THE AUTHORIZATION, SALE, ISSUANCE, DELIVERY AND PAYMENT OF AND FOR SUCH REVENUE BONDS; AND PROVIDING FOR AND DETERMINING VARIOUS MATTERS IN CONNECTION WITH THE FOREGOING.

### **RECITALS**

At its meeting on March 3, 2020, Maryland Health and Higher Educational Facilities Authority (the "Authority") accepted an application from UPMC, a nonprofit corporation formed

under the laws of the Commonwealth of Pennsylvania (the "Institution"), for the financing and refinancing of a portion of the cost of acquisition of Western Maryland Hospital Corporation by the Institution pursuant to the Maryland Health and Higher Educational Facilities Authority Act, Sections 10-301 through 10-356, inclusive, of the Economic Development Article of the Annotated Code of Maryland (the "Act").

The Project consists of the facilities financed and refinanced with the Authority's Revenue Bonds, Western Maryland Health System Issue, Series 2014.

Mr. Savidge advised the Authority that the Authority has received a letter from the Institution dated February 27, 2020 to the effect that the Project serves the public purposes of UPMC Western Maryland Corporation (formerly known as Western Maryland Health System Corporation).

At the request of the Institution, the Authority has determined to authorize the issuance of revenue bonds under the Act for the purpose of financing and refinancing the Project.

NOW, THEREFORE, BE IT RESOLVED BY MARYLAND HEALTH AND HIGHER EDUCATIONAL FACILITIES AUTHORITY THAT:

SECTION 1. The Authority is hereby authorized to issue, sell and deliver its revenue bonds (the "Series 2020 Bonds") in an aggregate principal amount not to exceed \$300,000,000. The Series 2020 Bonds shall be issued pursuant to an Indenture of Trust (the "Indenture") by and between the Authority and a trustee, which Indenture contains such terms, provisions and conditions as shall be approved by the Authorized Member (hereinafter defined). In determining the principal amount of Series 2020 Bonds issued pursuant to this resolution, each Series 2020 Bond issued at a discount from the stated amount thereof due at maturity shall be deemed to be issued in a principal amount equal to the gross proceeds realized from the sale of such Series 2020 Bond. Accordingly, it is expressly contemplated that the face amount of the Series 2020 Bonds may exceed the maximum aggregate principal amount of Series 2020 Bonds authorized hereby.

The proceeds of the Series 2020 Bonds shall be loaned to the Institution pursuant to a Loan Agreement by and between the Authority and the Institution, for the public purposes of financing and refinancing the Project in order to enable the Institution to provide, and to finance and refinance at the least cost to the users thereof, the Project, for the benefit of the people of the State of Maryland, the increase of their commerce, welfare and prosperity and the improvement of their health and living conditions. It is hereby found and determined that the financing and refinancing of the Project for the Institution serves the public purposes of UPMC Western Maryland Corporation.

SECTION 2. As permitted by the Act, the Series 2020 Bonds shall be sold at private (negotiated) sale to Barclays Capital Inc. (the "Representative"), acting on its own behalf and on behalf of Bancroft Capital Markets, BNY Mellon Capital Markets LLC, Huntington Capital Markets, KeyBanc Capital Markets, J.P. Morgan Securities LLC, PNC Capital Markets LLC, RBC Capital Markets, LLC and Wells Fargo Bank, National Association (collectively, the "Underwriters"), at a price or prices at, above or below par and upon such terms as the Authorized Member deems to be in the best interest of the Authority.

**SECTION 3.** Any Member of the Authority (the “Authorized Member”) is hereby authorized to specify, prescribe, determine, provide for or approve, all within the limitations of this resolution and the Act, all matters, details, forms, documents and procedures pertaining to the sale, security, issuance, delivery and payment of or for the Series 2020 Bonds, including (without limitation):

(a) the principal amount of Series 2020 Bonds issued at any one time or from time to time;

(b) the purchase price or prices to be paid to the Authority for Series 2020 Bonds issued at any one time or from time to time;

(c) the rate or rates of interest payable on the Series 2020 Bonds, or the method of determining the same;

(d) with respect to Series 2020 Bonds issued at any one time or from time to time that are offered to the public at a premium or discount from their stated principal amount due at maturity, the price or prices at which such Series 2020 Bonds are offered initially to the public;

(e) the date or dates of maturity of the Series 2020 Bonds issued at any one time or from time to time, the payment provisions therefor, the optional and mandatory redemption provisions thereof, including (without limitation) the mandatory sinking fund installments (if any) for such Series 2020 Bonds, the designation or designations of the Series 2020 Bonds and the date of issuance thereof;

(f) the form, tenor, terms and conditions of the Series 2020 Bonds, and provisions for the registration and transfer of the Series 2020 Bonds;

(g) the form and contents of, and provisions for the execution and delivery of, such documents as the Authorized Member shall deem necessary or desirable to evidence, secure or effectuate the issuance, sale and delivery of the Series 2020 Bonds issued at any one time or from time to time, the loan of the proceeds of such Series 2020 Bonds to the Institution, and the financing and refinancing of the Project, including (without limitation) the Indenture, the Loan Agreement and any security agreements, escrow deposit agreements, letters of credit, bond insurance policies or other credit or liquidity facilities supporting the Series 2020 Bonds, financing agreements and other similar agreements;

(h) provision for the administration of the Series 2020 Bonds, including (without limitation) the appointment of a trustee under the Indenture and any remarketing agents, paying agents, registrars, escrow agents or other agents as the Authorized Member shall deem necessary or desirable to effectuate the transactions authorized hereby;



(i) the preparation and distribution, in conjunction with representatives of the Institution and the Underwriters, of a preliminary official statement and a final Official Statement in connection with the sale of the Series 2020 Bonds;

(j) the form and contents of, and provisions for the execution and delivery of, a contract or contracts for the purchase and sale of the Series 2020 Bonds;

(k) the creation of security for the Series 2020 Bonds, which may include (without limitation) provisions for securing any indebtedness or other obligations incurred in connection with the issuance of the Series 2020 Bonds, including (without limitation) any interest rate swap agreement, on parity with outstanding revenue bonds previously issued by the Authority pursuant to any resolution or trust agreement executed and delivered by the Authority, the execution and delivery by an Authorized Member of any supplemental resolution or trust agreement providing therefor to constitute conclusive evidence of the determination by the Authority that all of the conditions to the issuance of parity debt under such resolution or trust agreement have been met to the satisfaction of the Authority; and

(l) such other matters in connection with the authorization, issuance, execution, sale, delivery and payment of the Series 2020 Bonds and the security for the Series 2020 Bonds and the consummation of the transactions contemplated by this resolution as may be deemed appropriate and approved by the Authorized Member, including (without limitation) the establishment of procedures for the execution, acknowledgment, sealing and delivery of such other and further agreements, documents and instruments as are or may be necessary or appropriate to consummate the transactions contemplated by this resolution in accordance with the Act and this resolution.

SECTION 4. The Authorized Member and the Executive Director of the Authority are hereby authorized from time to time after the issuance of the Series 2020 Bonds to take any action required or permitted to be taken by or on behalf of the Authority under the Act, the Indenture, the Loan Agreement or other document or instrument executed and delivered in connection therewith, including (without limitation) providing any consent, approval or direction required or permitted thereunder, entering into any amendment of or supplement to any of the foregoing and entering into any agreement providing for the replacement of, substitution for or addition of (as the case may be) any credit or liquidity facility, remarketing agent, escrow agent, trustee or other agent, subject to the requirements of the Act and any other agreement by which the Authority is bound.

SECTION 5. This resolution shall take effect immediately.

## **ST. JOHN'S COLLEGE**

Mr. Savidge asked the Members to consider an application from St. John's College to refinance certain long-term debt not issued by the Authority and to finance several deferred maintenance improvements on its Annapolis campus. St. John's College is a first-time borrower with the Authority and currently has a "BBB" rating from S&P.

Mr. Duran, Chief Financial Officer of St. John's College, provided an overview of the College's history, mission, services, governance and financial condition.

Ms. Gontang-Highfield, Treasurer of St. John's College, provided a description of the project and the plan of finance.

Following discussion, the Authority, on motion by Mrs. Riggs, seconded by Mrs. Perkins, adopted the following resolution (Affirmative – Williams, Riggs, Kopp, Daly, Meier, Perkins, Phelps, Phipps and White; Negative – none; Abstain – none):

### **RESOLUTION RECITALS**

Maryland Health and Higher Educational Facilities Authority (the "Authority") has received a request from St. John's College for the issuance of revenue bonds by the Authority to refinance certain long-term debt and to finance several deferred maintenance improvements on its Annapolis campus (the "Project"); and

The Authority has duly considered such application;

NOW, THEREFORE, BE IT RESOLVED, THAT the Authority hereby accepts such application and authorizes any Member and the Executive Director of the Authority to execute the form of acceptance of such application in order to evidence such acceptance, such acceptance being subject to the following:

- (1) the fulfillment of all requirements of the Authority with respect to the quality of obligations which the Authority will issue; and
- (2) the Authority's acceptance of such application shall not be deemed to constitute in any way a determination by the Authority that the Project or the financing and refinancing of the Project is feasible or will in fact be consummated and although the Authority will keep the Institution advised from time to time of the Authority's opinion in regard to the possibility of a successful financing and refinancing of the Project by the Authority, the Authority does not guarantee such successful financing and refinancing or in any way represent that funds for such financing and refinancing are or will become available.

**RESOLUTION APPOINTING CHIEF FINANCIAL OFFICER AND ACCOUNTING & COMPLIANCE OFFICER OF THE AUTHORITY AND CONFIRMING OTHER OFFICERS OF THE AUTHORITY**

A resolution was presented to appoint Lynn Gorman-Lepson to the position of Chief Financial Officer of the Authority and to appoint John Bennett to the position of Accounting & Compliance Officer, all effective April 7, 2020.

Following discussion, the Authority, on motion by Treasurer Kopp, seconded by Mr. Meier, adopted the following resolution (Affirmative – Williams, Riggs, Kopp, Daly, Meier, Perkins, Phelps, Phipps and White; Negative – none; Abstain – none):

**RESOLUTION  
APPOINTING CHIEF FINANCIAL OFFICER AND ACCOUNTING AND  
COMPLIANCE OFFICER, CONFIRMING OTHER OFFICERS OF THE AUTHORITY  
AND CONFIRMING AUTHORITY OF MEMBERS AND OFFICERS OF THE  
AUTHORITY TO TAKE CERTAIN ACTIONS**

**RECITALS**

Section 10-311 of the Maryland Health and Higher Educational Facilities Authority Act, Sections 10-301 through 10-356 of the Annotated Code of Maryland, as amended (the “Act”), provides that Maryland Health and Higher Educational Facilities Authority (the “Authority”) may appoint additional officers and may determine the duties of such officers. The Authority has determined to appoint Lynn Gorman-Lepson the Chief Financial Officer of the Authority and to appoint John Bennett the Accounting and Compliance Officer of the Authority, in each case effective April 7, 2020. In accordance with Section 8 of the By-Laws of the Authority (the “By-Laws”), the Chief Financial Officer and the Accounting and Compliance Officer of the Authority shall be Administrative Officers of the Authority.

The Act authorizes the Authority to issue its revenue bonds and notes from time to time to finance and refinance certain projects authorized by the Act. It is essential to the effective issuance, sale and delivery of such bonds and notes, the administration of the revenue bonds and notes previously issued by the Authority and the general operations of the Authority that certain actions be taken in a timely manner on behalf of the Authority, including (without limitation), the execution and delivery of certain documents and instruments on behalf of the Authority.

Section 10-314(c) of the Act authorizes the Authority to delegate to a Member or officer of the Authority a power granted to the Authority, including (without limitation) the power to execute bonds, certificates, deeds, leases, mortgages, agreements and other documents and instruments. The Authority has heretofore adopted resolutions authorizing the Chairman, Vice-Chairman and any Member of the Authority, the Executive Director of the Authority and any Administrative Officer of the Authority to take certain actions from time to time. This resolution is adopted to ratify and confirm the authority conferred by such resolutions.

**NOW, THEREFORE, BE IT RESOLVED BY MARYLAND HEALTH AND HIGHER EDUCATIONAL FACILITIES AUTHORITY THAT:**

1. Lynn Gorman-Lepson is hereby appointed to the position of the Chief Financial Officer of the Authority, effective April 7, 2020.

2. John Bennett is hereby appointed to the position of the Accounting and Compliance Officer of the Authority, effective April 7, 2020.

3. The Chief Financial Officer and the Accounting and Compliance Officer are hereby authorized to perform any act or duty that may be performed by an Administrative Officer of the Authority under any resolution, any bond resolution or any indenture of the Authority, including (without limitation) the execution of any bond, obligation, evidence of indebtedness, certificate, deed, license, mortgage or agreement authorized to be executed on behalf of the Authority by an Administrative Officer.

4. The Authority hereby ratifies and confirms the authority of the Chief Financial Officer to perform any act or duty that may be performed by the Assistant Director of the Authority under any resolution, bond resolution, trust agreement or other agreement of the Authority, including (without limitation) the execution of any bond, obligation, evidence of indebtedness, certificate, deed, license, mortgage or agreement authorized to be executed on behalf of the Authority and the execution of any requisition, certificate, order or other document or instrument required or permitted thereby.

5. Effective April 7, 2020, the officers of the Authority are restated as follows:

Executive Director:	Barlow T. Savidge
Chief Financial Officer:	Lynn Gorman-Lepson
Accounting and Compliance Officer	John Bennett
Administrative Officers:	Lena Prince
	Mary Jane Lupus
	Kathy Rech

**FINANCIAL ADVISOR'S REPORT**

Mr. Evans provided reports on the following: bond market disruptions, CARES Act Provisions, and trends in interest rates.

Mr. Brick provided a report on the Legends Charter School limited offering sale.

**EXECUTIVE DIRECTOR'S REPORT**

Mr. Savidge provided updates on transactions in process/closed; amendments of bank direct placements; the implementation of technology to enhance the Authority's remote work capabilities; and outreach activities with healthcare and educational institutions.

**MARYLAND DEPARTMENT OF HEALTH (MDH)/HEALTH SERVICES COST REVIEW COMMISSION(HSCRC) – EMERGENCY FUNDING PROGRAM**

Mr. Adam Kane, Chairman of the HSCRC, provided an overview of the emergency funding program being proposed in response to the impact of the COVID19 pandemic.

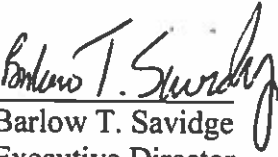
Ms. Katie Wunderlich, Executive Director of the HSCRC, described certain details of the proposed program. The HSCRC is requesting a maximum of \$300 million to add up to 6,000 hospital beds and to make or acquire other capital expenditures and equipment in a very short time frame to through grants to various Maryland hospitals in response to the COVID-19 pandemic. HSCRC would allocate the funds to the various Maryland hospitals based upon approved emergency certificates of need authorized by the Maryland Health Care Commission or by an interagency State governance group that includes representation from the Department of Health, the HSCRC, the Maryland Health Care Commission and other selected state partners.

Ms. Wunderlich stated that the bonds would be paid from fees assessed on all Maryland hospitals whose rates are set by the HSCRC, which would be included in the hospitals' global budgeted revenues, as is the case when bonds are issued under the bond indemnification program. In order to provide additional security for the bonds, the debt service on the bonds may be paid through a subject to appropriation pledge by the Governor to include the debt service in the Governor's budget requests. Secretary Neall, Chairman Kane and Executive Director Wunderlich thanked the Authority and its team for collaborating with the HSCRC in developing the program to meet this critical need.

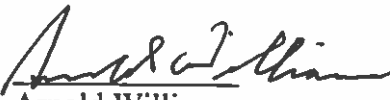
Mr. Savidge noted that Authority's interest in being responsive to the HSCRC's request. After additional due diligence, the emergency hospital funding will be presented to the Authority for authorization.

With no further business, on motion by Mr. White, seconded by Mrs. Phipps, the meeting was adjourned at approximately 11:35 a.m. (Affirmative – Williams, Riggs, Kopp, Daly, Meier, Perkins, Phelps, Phipps and White; Negative – none; Abstain – none).

The next meeting of the Authority is scheduled for May 5, 2020.

  
Barlow T. Savidge  
Executive Director

Approved:

  
Arnold Williams  
Chairman  
May 5, 2020

**April 7, 2020 Authority Meeting Guests  
(participating remotely via conference line)**

**Peninsula Regional Health System**

Bruce Ritchie, Vice President Finance / CFO

**Ponder & Company (Peninsula's Financial Advisor)**

John Cheney, Managing Director

**Morgan Stanley (Peninsula's Senior Managing Underwriter)**

Alison Davidson, Executive Director

David Gallin, Executive Director

**Venable (Peninsula's Counsel)**

Davis Sherman, Managing Director

**UPMC Western Maryland Hospital Corporation**

Jim Konieczny, Assistant Treasurer

Michelle Martz, CFO

**St. John's College**

Ally Gontang-Highfield, Treasurer

Michael Duran, Treasurer/CFO

**Cleary Gottlieb Steen & Hamilton LLP (Counsel to St. John's College)**

Richard Lincer, Partner

**Stifel Nicolas (St. John's College)**

Lee White

**Maryland Department of Health**

Robert R. Neall, Secretary

**Health Service Cost Review Commission**

Adam Kane, Chairman

Katie Wunderlich, Executive Director

**Community Outreach Consultant**

Annette Anselmi