

The Dormitory Authority of the State of New York met in a Regular Meeting at DASNY's Albany Office, 515 Broadway, Albany, New York at 9:35 a.m. on Wednesday, October 16, 2019.

The Meeting was called to order by the Chair. Roll call was taken and a quorum was present. Those Members present for and absent from the Meeting were as follows:

Members Present

Alfonso L. Carney, Jr., Chair, Member
John B. Johnson, Jr., Vice Chair, Member
Jonathan H. Gardner, Esq., Member
Joan M. Sullivan, Member
Gerard Romski, Esq., Member
Adrian Swierczewski, Designated Representative of the Director of the Budget, Member (ex officio)
Joseph Gilchrist, Designated Representative of the Commissioner of Education, Member (ex officio)
Tracy Raleigh, Designated Representative of the Commissioner of Health, Member (ex officio)

Members Present – via phone

Beryl L. Snyder, Esq., Member

Members Absent

Paul S. Ellis, Esq., Secretary, Member
Wellington Z. Chen, Member

Also Present - Dormitory Authority Staff

Paul G. Koopman, Vice President
Michael E. Cusack, Esq., General Counsel
Kimberly J. Nadeau, Chief Financial Officer
Portia Lee, Managing Director of Public Finance and Portfolio Monitoring
Stephen D. Curro, Managing Director of Construction
Caroline V. Griffin, Chief of Staff
Larry N. Volk, Senior Director, Portfolio Monitoring
Ricardo Salaman, Esq., Managing General Counsel
Daniel W. Petroff, Chief of Strategy and Business Development
Kathy Ebert, Director, Internal Audit
Deborah K. Fasser, Director, Communications & Marketing
Ann S. Andrews, Director, Information Services
Sara P. Richards, Esq., Associate General Counsel
Michael L. Johnson, Esq., Assistant General Counsel

Andrew Purcell, Director, Public Finance
Matthew T. Bergin, Assistant Director, Public Finance and Portfolio Monitoring
David P. Ostrander, Assistant Director, Public Finance and Portfolio Monitoring
Karen E. Ehlinger, Manager, Internal Controls Analysis
Stephen J. Kosier, Senior Financial Analyst
Gerard E. Klauser, Senior Financial Analyst
Alex A Sirdine, Public Finance Fellow
Maria T Carrasco, Public Finance Fellow
Michael T. Corrigan

Other Attendees:

Brian Cechnicki	State Education Department
Laurie Hall, Esq.	Hawkins Delafield & Wood, LLP
Robert James, Esq.	Golden Holley James LLP
Jennifer Capasso Mendonca, Esq.	Locke Lord, LLP
Robert Drillings, Esq.	Burgher Gray, LLP
Virginia Wong, Esq.	Nixon Peabody, LLP
Jeffrey M. Pohl, Esq.	Nixon Peabody, LLP
Doug Seaton, Esq.	D. Seaton & Associates

PUBLIC SESSION

The Chair called the Meeting to order. He congratulated Mr. Koopman on his new position and welcomed him to the meeting. The Chair stated that he is looking forward to working with Mr. Koopman, as he has established an outstanding reputation during his years of DASNY service. The Chair further stated that he looks forward to a continued working relationship with Ms. Griffin and expressed his appreciation for her assistance over the past few months.

The Chair informed the Members that this will be the last meeting attended by Mr. Gilchrist. Mr. Gilchrist stated that he has accepted a position with the Division of the Budget and is leaving SED. He further stated that it has been an honor and a pleasure to serve on the DASNY Board. Mr. Gilchrist introduced Brian Cechnicki, who is a Finance Director at SED and will be the new designated representative for the Department of Education. The Board Chair thanked Mr. Gilchrist for his service and stated that he has been very helpful in explaining certain matters and answering questions. He wished him the best in his new position and welcomed Mr. Cechnicki to the Board.

The Minutes of the September 11, 2019 Regular Meeting were then reviewed and approved.

Ms. Sullivan moved that the Members go into Executive Session to discuss the financial and credit history of particular corporations; proposed, pending or current litigation; and the employment history of persons or matters leading to the appointment, employment, promotion, demotion, discipline, suspension, dismissal or removal of particular persons.

Ms. Raleigh seconded the motion, and the Meeting went into Executive Session.

EXECUTIVE SESSION

No action was taken in Executive Session other than to return to Public Session.

PUBLIC SESSION

Finance Committee Report

Finance Committee Chair Ronski reported that the Finance Committee met the previous afternoon and after discussion, decided unanimously to recommend the following transactions to the full Board for approval: Personal Income Tax / Sales Tax Revenue Bond Program, St. Mary's Hospital for Children, Inc., SUNY Dormitory Facilities, The Convent of the Sacred Heart School of New York and Montefiore Medical Center (TELP).

Board Financing Authorization Policy

Ms. Lee informed the Members that the Finance Committee also discussed an amendment to the Bond Financing Authorization Policy currently under consideration. She stated that no Board action is requested at this time and that the information is being provided for discussion purposes only. Ms. Lee explained that under the Policy, the Single Approval process is authorized for highly rated private higher education and health care clients. She explained that a Policy amendment to be considered in the future would be modified expand the definition of "eligible highly rated institutions" to include authorized affiliates of those entities. Ms. Lee further explained that the change would recognize a provision of the MCFFA statute that allows certain not for profit entities to benefit from DASNY financing on their behalf. She informed the Members that this change will be discussed with the Board in more detail at a later time.

Personal Income Tax Revenue Bond Program

The Chair introduced Laurie Hall, Esq., of Hawkins Delafield & Wood, LLP and Robert James, Esq. of Golden Holley James, LLP, co-bond counsel on the transaction, and Mr. Bergin.

Mr. Bergin presented the Single Approval Transaction Summary and Staff Report for the Sales Tax Revenue Bond Program and/or Personal Income Tax Revenue Bond Program. He stated that the Members are being asked to adopt the necessary documents authorizing the issuance of multiple series of tax-exempt and taxable, fixed and/or variable rate bonds issued at one or more times

with a term of 30-years in an amount not to exceed \$3.5 billion under either the Sales Tax Revenue Bond Program and/or the Personal Income Tax Revenue Bond Program.

Mr. Bergin informed the Members that the mechanics of the two programs are very similar. He explained that the major difference between the programs is whether the stream of revenues that secures the bonds is sales tax revenue or personal income tax revenue. Mr. Bergin further explained that the Bonds are being issued for new money and refunding purposes and the new money portion will be for authorized purposes including capital projects for City University of New York (“CUNY”) facilities; capital projects for the Office of Mental Health (“OMH”); the Office for Persons with Developmental Disabilities (“OPWDD”) and the Office of Alcoholism and Substance Abuse Services (“OASAS”); transportation initiatives for New York Works Transportation Infrastructure projects; capital projects for the State University of New York (“SUNY”); funding various environmental initiatives; funding for State and Municipal Facilities (“SAM”) Grants; funding for Economic Development Projects and/or Grants; funding for Health Care Grants; funding for various Education Programs; and the refunding of certain bonds issued under various State supported debt programs. Mr. Bergin informed the Members that of the \$1.5 billion in refunding bonds, \$1.4 billion will be issued as taxable advance refunding bonds and \$100,000,000 will be issued as tax-exempt current refunding bonds.

Mr. Bergin stated that if the Bonds are issued under the Sales Tax Revenue Bond Program, the bonds will be paid by semi-annual payments made pursuant to a Financing Agreement between DASNY and the State. He informed the Members that pursuant to the Agreement, the bonds are secured by a set aside of one cent, or 25% of the State’s four percent sales tax to be collected pursuant to statute and deposited in the Sales Tax Revenue Bond Fund. Mr. Bergin stated that current debt service coverage on all outstanding Sales Tax bonds is 3.3 times.

Mr. Bergin stated that if the Bonds are issued under the Personal Income Tax Revenue Bond Program, the bonds will be paid by semi-annual payments made pursuant to a Financing Agreement between the DASNY and the State. He informed the Members that pursuant to the Agreement, the bonds are secured by a set aside of 50% of personal income tax revenues collected pursuant to statute and 50% of the receipts of the employer compensation expense tax, with both taxes deposited in the Revenue Bond Tax Fund. Mr. Bergin stated that current debt service coverage on all outstanding State Personal Income Tax bonds is 6.4 times. Mr. Bergin stated that both Programs are expected to be rated Aa1/AA+\AA+.

Ms. Hall further described the transaction and presented the financing documents. She stated that before the Members for consideration are two Supplemental Resolutions--one to be adopted under the PIT program pursuant to the State Personal Income Tax Revenue Bonds General Bond Resolution adopted by DASNY in 2009, and the other to be adopted under the Sales Tax program pursuant to the State Sales Tax Revenue Bonds General Bond Resolution adopted by DASNY in 2013. She further stated that each of the Supplemental Resolutions authorizes the issuance of multiple series of bonds at one or more times up to a maximum principal amount of \$3.5 billion. Ms. Hall informed the Members that, while each Supplemental Resolution authorizes the issuance of up to \$3.5 billion, the Resolutions expressly provide that the issuance of bonds under one Resolution will reduce the remaining authorization under that Resolution and will also automatically, without any further action, reduce the remaining principal amount authorized under the other Supplemental

Resolution. Ms. Hall summarized that as a result, the Board is being asked to authorize the issuance of a total combined maximum amount of \$3.5 billion. She explained that the adoption of the two Supplemental Resolutions provides maximum flexibility to issue under one or both programs.

Ms. Hall stated that each of the Supplemental Resolutions provides that the Bonds may be issued for any Authorized Purposes, which is defined by statute for each of the programs as any purposes for which state-supported debt may be issued. She noted that the Bonds are currently expected to be issued for both new money and refunding purposes. Ms. Hall confirmed that the projects to be funded with the Bonds constitute Authorized Purposes under the statutory authorization. Ms. Hall stated that the bonds to be refunded with the proceeds of the Bonds include state-supported bonds issued by DASNY or other issuers of state-supported debt. She informed the Members that because the ability to advance refund bonds on a tax-exempt basis was eliminated by Congress last year, any tax-exempt refundings will be undertaken as current refundings. Ms. Hall explained that as a current refunding, the bonds to be refunded are callable and will be redeemed within 90 days of issuance.

Ms. Hall stated that the Sales Tax Revenue Bond program was adapted from the PIT bond program, which was established a number of years ago. She informed the Members that the two programs are virtually identical in terms of the statutory framework and the governing bond documents. Ms. Hall explained that the primary difference between the programs is the source of revenues available to pay debt service on the respective bonds. She further explained that under the PIT structure, 50% of the estimated monthly personal income tax receipts and 50% of the receipts from the new Employer Compensation Expense program are statutorily required to be deposited in the revenue bond tax fund, a separate fund held by the State. Ms. Hall stated that the moneys in this fund are used to pay debt service on all PIT Bonds issued by DASNY and other authorized issuers, in each case subject to appropriation.

Ms. Hall stated that under the Sales Tax structure, one cent of the four-cent sales and compensating use tax is required to be deposited in a separate fund held by the State, and such funds are used to pay debt service on all Sales Tax Bonds, subject to appropriation. Ms. Hall stated that in each case, the obligation of the State to pay debt service on the DASNY Bonds and the mechanics of verifying that sufficient funds will flow through the respective resolutions at the appropriate times, is provided for in separate financing agreements entered into between DASNY and the Division of the Budget for each of the programs. She further stated that the debt service payments made by the State pursuant to the Financing Agreements, together with the funds and accounts held by the Trustee under the Resolutions, are pledged as security for the respective Bonds.

Mr. James summarized the provisions of the Supplemental Resolutions. He stated that the mechanics of the Series 2019-2 Sales Tax Revenue Bond Supplemental Resolution and the Series 2019-3 PIT Revenue Bond Supplemental Resolution are virtually identical. Mr. James stated that the two Supplemental Resolutions provide maximum flexibility to DASNY so that market conditions and timing can be considered at the time of issuance. He further stated that each Supplemental Resolution provides that the authorized principal amount authorized to be issued under either program shall be reduced by the amount of Bonds issued under the other program, such that the aggregate amount of Bonds issued shall not exceed \$3.5 billion. Mr. James informed

the Members that although it is anticipated that all of the Series 2019 Bonds will be issued as fixed rate bonds, all or a portion of the 2019 Bonds may be issued as variable rate bonds, capital appreciation bonds and/or deferred income bonds. He indicated that the 2019 Bonds may be sold on a negotiated basis or through competitive bidding and may be consolidated into a single series with other Series 2019 Bonds.

Mr. James stated that the Supplemental Resolutions delegate to various officers of DASNY the authority to determine the terms of the Series 2019 Bonds, including but not limited to the series and subseries of the Series 2019 Bonds; the principal amount of the Series 2019 Bonds, provided that the aggregate principal amount issued under both Supplemental Resolutions does not exceed the authorized amount of \$3.5 billion; the principal amount of Series 2019 Bonds to be issued as Tax-Exempt Bonds and the principal amount to be issued as Taxable Bonds, if any; the date or dates on which the Bonds will mature, provided that no Series 2019 Bonds will mature more than 30 years from its date of issuance and, provided further with respect to any Series 2019 Bonds issued to refund any Refunded Bonds, that the final maturity of such Series 2019 Bonds shall not exceed the fiscal year of the final maturity of such Refunded Bonds, considered in the aggregate; whether the Bonds will bear interest at fixed or variable rates and the rate or rates at which the Bonds will bear interest, provided that the true interest cost of any Series 2019 Bonds issued as fixed rate bonds, and the initial interest rate of any Series 2019 Bonds issued as variable rate bonds, may not exceed 7.5% if issued as Tax-Exempt Bonds or 10.0% if issued as Taxable Bonds; whether the Bonds are sold at public or private sale, on a negotiated basis or through competitive bidding; the underwriter or underwriters for the Series 2019 Bonds, if sold on a negotiated basis; the purchase price to be paid by the underwriters of the Series 2019 Bonds, if sold on a negotiated basis, provided that it is not less than 90% of the principal amount of the Series 2019 Bonds issued; the manner in which the winning bid or bids will be selected and the Series 2019 Bonds will be awarded, if sold on a competitive basis; the redemption provisions of the Series 2019 Bonds, including the redemption dates and prices, subject to certain conditions outlined in the Supplemental Resolutions; the series and maturities of the Refunded Bonds to be refunded and the principal amount to be refunded with the proceeds of the Series 2019 Bonds; and whether any of the Series 2019 Bonds will be book-entry bonds and the depository for them.

Mr. James stated that the Supplemental Resolutions also authorize various officers of the Authority to prepare, execute and deliver all documents necessary, convenient or desirable in connection with the sale and issuance of the Series 2019 Bonds and the refunding of the Refunded Bonds, including but not limited to Preliminary Official Statements; final Official Statements; Notices of Sale; Bond Purchase Agreements; and agreements to provide continuing secondary market disclosure to ensure that the underwriters can comply with SEC Rule 15c2-12.

The Chair observed this is a very large transaction and he is proud to be in a position to approve it. He acknowledged that there are valid reasons for the size of the issuance and inquired whether there would be any advantage to structuring the deal as two separate authorizations instead of one large one. Mr. Bergin responded that the transaction has the effect of two issuances, since there will be a different buyer base for the taxable bonds and the tax-exempt bonds. Ms. Lee concurred, and explained that although the total amount of authorized bonds is large, the amount of new money bonds to be issued is within the range of previous PIT and Sales Tax transactions. She further explained that the \$1.5 billion refunding is being undertaken to achieve savings for the

State and that it is the sum of the new money and refunding that results in the large overall aggregate amount of Bonds to be issued.

In response to an inquiry by Mr. Romski, Ms. Lee confirmed that the programs to be funded with the proceeds of the Bonds are consistent with those that have been funded in the past.

Mr. Swierczewski moved the adoption of the following entitled Resolutions:

DORMITORY AUTHORITY OF THE STATE OF NEW YORK SUPPLEMENTAL RESOLUTION 2019-3 AUTHORIZING STATE PERSONAL INCOME TAX REVENUE BONDS (GENERAL PURPOSE); and

DORMITORY AUTHORITY OF THE STATE OF NEW YORK SUPPLEMENTAL RESOLUTION 2019-2 AUTHORIZING STATE SALES TAX REVENUE BONDS

Mr. Gardner seconded the motion and the Resolutions were unanimously adopted.

St. Mary's Hospital for Children, Inc.

The Chair introduced Jennifer Capasso Mendonca, Esq. of Locke Lord, LLP and Robert Drillings, Esq. of Burgher Gray, LLP, co-bond counsel on the transaction, and Mr. Klauser. He informed the Members that Maria Carrasco and Alex Sirdine, Public Finance Fellows, have participated in this transaction and will be joining Mr. Klauser at the table for the presentation to the Board. Mr. Klauser thanked the Chair and acknowledged that former DASNY President Gerrard Bushell was responsible for creating the Public Finance Fellowship program at DASNY. He stated that the Fellows will work at DASNY for the first six months of their fellowship and that the second six months will be spent at an Underwriter's firm. Mr. Klauser expressed his support for the initiative and stated that the Fellows have contributed a great deal to the transaction at every level.

Mr. Klauser presented the Single Approval Transaction Summary and Staff report for St. Mary's Hospital for Children, Inc. He stated that the Board is being asked to adopt the necessary documents for the issuance of one or more series of 22-year fixed and/or variable rate, tax-exempt and/or taxable bonds in an amount not to exceed \$77,000,000. Mr. Klauser further stated that the Bonds will be privately placed through Manufacturers and Traders Trust Company, with a 15-year hold period. He informed the Members that the Bonds will amortize with level monthly principal and interest payments over a period of 22 years. Mr. Klauser reported that Ponder & Company is the Financial Advisor for the transaction.

Mr. Klauser reported that the Bond proceeds will refund DASNY's Series 2010 privately placed bonds issued on behalf of St. Mary's. He noted that at the time of issuance, the Series 2010 bonds represented the largest private placement transaction ever undertaken by DASNY. Mr. Klauser informed the Members that St. Mary's will experience Net Present Value Savings in the amount of \$29.7 million, or 38.3%, of the refunded bonds. He reported that the Hospital has secured a rate lock of 2.47% with Manufacturers & Traders Trust Company, and that the Hospital's interest rate with Oppenheimer was previously 7.875%. Mr. Klauser stated that the Bonds will be

secured by a first lien mortgage on the Hospital campus; a gross receipts pledge; an all-assets pledge; and a gross receipts pledge of the Guarantor.

Mr. Klauser stated that the Hospital has recently undertaken a significant restructuring which resolved managed care rates. He noted that Medicaid is the Hospital's primary payor and represents over 96% of payments. Mr. Klauser stated that St. Mary's has improved the admissions process and occupancy rates and has also made significant program improvements to the Medical Daycare Program, Early Education Program and Out-Patient Programs. He reminded the Members that St. Mary's is a pediatric nursing home facility. Mr. Klauser reported that the number of Hospital beds has increased in the past two years, bringing the number of total beds to 124. Mr. Klauser stated that the Hospital will also receive the benefit of the Department of Health "Shared Savings Program," which allows residential nursing facilities to share in savings associated with approved financings.

Mr. Klauser informed the Members that St. Mary's Hospital has been profitable for the last four years (2015-2018). He stated that the operating margin has averaged .97% for the last 5 years. Mr. Klauser pointed out that the medians for operating margins are often negative for nursing homes, so this is a significant statistic. He stated that pediatric nursing homes have historically been exempt from cuts in reimbursement, which is especially noteworthy considering the Hospital's payor mix and high dependency on Medicaid reimbursement. Mr. Klauser further stated that the Bonds will not carry a rating and are not expected to be reoffered in the secondary market. He reported that the Governor's approval of TEFRA was received on October 9, 2019 and the SEQR review was completed on October 15, 2019. He stated that St. Mary's Hospital for Children is a success story on many fronts.

Ms. Capasso Mendonca further described the transaction and presented the financing documents. She stated that before the Members for their consideration for adoption are two Resolutions: DASNY's Saint Mary's Hospital for Children Revenue Bond General Resolution authorizing the issuance of one or more series of bonds to finance or refinance facilities for Saint Mary's Hospital for Children, Inc. and a Series Resolution authorizing the issuance of up to \$77,000,000 of DASNY's Saint Mary's Hospital for Children Revenue Bonds, Series 2019. Ms. Capasso Mendonca informed the Members that the Institution is a not-for-profit corporation that operates a 124-bed skilled nursing facility in Queens, New York. She stated that the Hospital provides inpatient care, educational services, home healthcare and medical day care services to children requiring specialized medical care and rehabilitation.

Ms. Capasso Mendonca stated that the proceeds of the Series 2019 Bonds are expected be used to refinance DASNY's outstanding St. Mary's Hospital for Children Revenue Bonds, Series 2010 and to pay costs of issuance. She further stated it is currently anticipated that the Series 2019 Bonds will be issued pursuant to a private placement to Manufacturers and Traders Trust Company, as purchaser. Ms. Capasso Mendonca informed the Members that the Series 2019 Bonds are expected to be issued at a locked, fixed rate of interest for a 15-year period, and then will be subject to tender by the Purchaser. She noted that Ponder & Co. is serving as financial advisor to the Institution.

Mr. Drillings stated that the General Resolution is a new resolution and the Series 2019 Bonds will be the first Bonds issued under it. He further stated that the General Resolution provides for the issuance from time to time of multiple Series of Bonds in an unlimited principal amount. Mr. Drillings informed the Members that except as may be otherwise provided for by applicable Series Resolutions, each Series of Bonds to be issued under General Resolution shall be separately secured from each other Series of Bonds. He stated that the Series 2019 Bonds are “special obligations” of DASNY payable only out of the applicable Revenues, which consist of the payments made by the Institution under the Loan Agreement between DASNY and the Hospital.

Mr. Drillings stated that payment of the Series 2019 Bonds is secured by the pledge and assignment made by the General Resolution of the applicable Revenues, DASNY’s right to receive such Revenues, DASNY’s security interest in the Pledged Revenues, subject to Prior Pledges, if any, and the moneys and investments held in the funds and accounts established by the General Resolution and the Series 2019 Resolution, other than the Arbitrage Rebate Fund and any fund or account established for the payment of the purchase price or early redemption of bonds.

Mr. Drillings informed the Members that the Series 2019 Resolution delegates to Authorized Officers of DASNY the power to determine, among other things: the principal amount of Series 2019 Bonds to be issued, provided that the aggregate principal amount of Series 2019 Bonds issued does not exceed \$77,000,000; the date or dates on which that Series 2019 Bonds will mature; provided, that no Series 2019 Bond may mature later than 22 years from the date of issuance of the Series 2019 Bonds; the rate or rates and any rate-setting mechanics relating thereto at which the Series 2019 Bonds will bear interest, provided that the true interest cost or the initial interest rate of tax-exempt Series 2019 Bonds does not exceed 7.5% and the true interest cost or the initial interest rate of taxable Series 2019 Bonds does not exceed 10.0%; the purchase price to be paid by the private purchaser for the Series 2019 Bonds, provided that it is not less than 95% of the principal amount of the Series 2019 Bonds to be issued; the redemption (and purchase in lieu thereof) dates and prices of the Series 2019 Bonds; whether parity indebtedness is permitted; whether or not any of the Series 2019 Bonds will be book-entry Bonds, and if so, the depository for them; and whether the Series 2019 Bonds to be issued thereunder will be issued in one or more subseries at one or more times and the number of subseries and the principal amount and designations of each subseries. Mr. Drillings stated that, although it is currently anticipated that the Series 2019 Bonds will bear interest at a fixed rate for a period of approximately fifteen (15) years, the Series 2019 Resolution does not limit the discretion of DASNY’s officers to determine to issue the Series 2019 Bonds in a different configuration than is currently contemplated .

Mr. Drillings stated that in accordance with DASNY’s Financing Guidelines for Independent Institutions, the Series 2019 Resolution restricts ownership of the Series 2019 Bonds to “Qualified Institutional Buyers” or “QIBs” as defined in Rule 144A promulgated under the Securities Act of 1933. He further stated that the Series 2019 Resolution also authorizes various officers of DASNY to execute a Loan Agreement by and between the Institution and DASNY; execute a Bond Purchase Agreement in connection with the sale of the Series 2019 Bonds; execute a Pledge and Security Agreement by and between the Institution and DASNY, providing for the pledge of all assets of the Institution as additional security for the Series 2019 Bonds; execute an Intercreditor Agreement and an Account Control Agreement, if any; and execute and/or approve

any other agreements necessary to effectuate, and do all things necessary or convenient in connection with, the sale and issuance of the Series 2019 Bonds.

Ms. Capasso Mendonca stated that DASNY and the Institution will execute a Loan Agreement in connection with the issuance of the Series 2019 Bonds, which will require the Institution to make payments in amounts and at times sufficient to make timely payment of the principal of and interest on the Series 2019 Bonds. She explained that the Institution's obligation to make payments under the Loan Agreement will be a general obligation of the Institution that is complete and unconditional, and the amount, manner, and time of making such payments will not be decreased, abated, postponed, or delayed for any cause or reason or by reason of the happening or non-happening of any event, irrespective of any defense or of any set-off, recoupment, or counterclaim that the Institution may otherwise have against DASNY, the Trustee, or the purchaser for any cause whatsoever.

Ms. Capasso Mendonca indicated that the Loan Agreement will be secured by a pledge of gross receipts of the Institution and may permit the Institution to incur additional indebtedness secured by a parity lien on the Pledged Revenues under certain circumstances if acceptable to the Purchaser. In addition to the gross receipts pledge, the Purchaser is also requiring an all assets pledge of the Institution, a mortgage on the Institution's main facilities, and a pledge of gross receipts of certain entities affiliated with the Institution as additional security for the Institution's obligations under the Loan Agreement.

Ms. Capasso Mendonca stated that the mortgage, the security interest and lien on the Institution's gross receipts and assets, as well as the lien on the Guarantors' gross receipts, will all be granted on a parity with currently-existing liens securing certain currently outstanding indebtedness of the Institution to the Purchaser. She further stated that it is expected that DASNY's rights under the Loan Agreement, the Security Agreement and the Mortgage (with the exception of certain reserved rights) will be assigned to the Trustee, who will exercise remedies under the Loan Agreement, the Security Agreement and the Mortgage at the direction of the Purchaser. She noted that the transaction documents may also contain certain financial covenants required by the Purchaser.

Ms. Capasso Mendonca stated that the Institution's obligation to make payments under the Loan Agreement, and any other financial obligations of the Institution under the Loan Agreement, are being jointly and severally guaranteed pursuant to a Guaranty Agreement from the Guarantors to the Trustee for the benefit of the Purchaser. She further stated that the Series 2019 Bonds are proposed to be sold pursuant to a Bond Purchase Agreement by and among DASNY, the Institution and the Purchaser.

Mr. Ronski moved the adoption of the following entitled Resolutions:

A RESOLUTION AUTHORIZING THE ISSUANCE BY THE DORMITORY AUTHORITY OF THE STATE OF NEW YORK OF ITS SAINT MARY'S HOSPITAL FOR CHILDREN REVENUE BONDS; PROVIDING FOR THE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON SUCH BONDS; AND PROVIDING FOR THE RIGHTS OF THE HOLDERS THEREOF; and

DORMITORY AUTHORITY OF THE STATE OF NEW YORK SERIES RESOLUTION
AUTHORIZING UP TO \$77,000,000 SAINT MARY'S HOSPITAL FOR CHILDREN
REVENUE BONDS, SERIES 2019

Mr. Johnson seconded the motion and the Resolutions were approved unanimously, with the exception of Mr. Gardner, who was not present at the time of the vote.

SUNY Dormitory Facilities

The Chair introduced Virginia Wong, Esq., Nixon Peabody, LLP and Doug Seaton, Esq. of D. Seaton & Associates, co-bond counsel on the transaction, and Mr. Kosier.

Mr. Kosier stated that the Board is being asked to adopt the documents necessary for the issuance of multiple series of tax-exempt and taxable bonds to be issued under the State University of New York Dormitory Facilities Revenue Bonds program. He further stated that the bonds will be sold on a negotiated basis with a term not to exceed 30 years and in an amount not to exceed \$950 million.

Mr. Kosier informed the Members that the bond proceeds will be used to finance various dormitory capital projects at SUNY campuses throughout the State. He stated it is currently expected that approximately \$164 million in new money bond proceeds from the proposed issuance will be used to fund these projects. Mr. Kosier noted that SUNY has approved up to \$175 million of new money projects. He stated that bond proceeds will also be used to refund all or a portion of various DASNY bonds, including bonds issued under the old (pre-2013) State University of New York Dormitory Facilities Lease Revenue Bond program and the new SUNY Dormitories program. Mr. Kosier further stated that the refunding candidates under the old program include the Series 2010A, Series 2011A, and Series 2012A bonds.

Mr. Kosier stated that the refunding candidates under the new SUNY Dorm program include the Series 2013A, 2015A and Series 2015B bonds. He further stated that the refundings are expected to be issued on a taxable basis, although the Series 2010A bonds may be issued on a tax-exempt basis with a forward delivery, if economically advantageous. Mr. Kosier informed the Members that the refundings are expected to generate net present value savings of approximately \$96.2 million, or approximately 14.2% of the bonds being refunded, and that the final terms of the refunding bonds will not exceed the terms of the bonds being refunded.

Mr. Kosier reported that the SUNY Residence Hall program operates on 25 Campuses and serves over 70,000 students on an annual basis. He stated that the Residence Hall Program is a completely self-supporting program of SUNY, generating sufficient revenues to support its operations, annual maintenance and debt service. Mr. Kosier reminded the Members that in March 2013, the State enacted legislation authorizing the new SUNY Dorms program, which is supported solely by the rents, fees and charges of the dormitory rentals. Mr. Kosier explained that pursuant to the legislation, SUNY executed an assignment to DASNY of all rights in dormitory facilities revenues. He further explained that SUNY is required to immediately deliver such revenues, without appropriation, to the Commissioner of Taxation and Finance for deposit into the Dormitory Facilities Revenue Fund. Mr. Kosier informed the Members that these funds are used

first to pay the debt service on the old SUNY Dormitory bonds, and then debt service on bonds issued under the new program. He noted that any amounts remaining in the Fund after payment for such purposes is the absolute property of SUNY to fund dormitory operations and any other lawful purpose.

Mr. Kosier stated that security for the Bonds includes a second lien on dormitory rentals deposited in the Dormitory Facilities Revenue Fund, and that bonds currently outstanding under the old SUNY Dormitory Facilities Program have the first lien on these revenues. He further stated that this will be the sixth financing under the new SUNY Dorms program.

Ms. Wong further described the transaction and presented the financing documents. She stated that before the Members for their consideration is the adoption of three Series Resolutions authorizing the issuance of an aggregate amount of up to \$950 million in fixed or variable rate, taxable or tax-exempt bonds. Ms. Wong further stated that the Series 2019B Bonds will be issued under the SUNY General Revenue Bond Resolution adopted in May 2015. She noted that although each Series Resolutions authorizes the issuance of up to \$950 million in Bonds, each Resolution restricts the aggregate amount of bonds to be issued under all 3 Series Resolutions to \$950 million.

Ms. Wong informed the Members that the Bonds will be designated as Series 2019A, 2019B and 2020A Series Bonds. She stated that the Series 2020A Bonds if issued will be issued as forward delivery bonds in order to effectuate a current refunding in calendar year 2020. Ms. Wong further stated that the Series Resolutions will also contain delegations and authorizations to various DASNY officers as set forth in the Bond Counsel letter, and to take all actions necessary and/or convenient in connection with the sale and issuance of the Series 2019 Bonds. She explained that this includes a determination regarding the procurement of credit support or establishment of a debt service reserve fund. Ms. Wong stated that no debt service reserve fund is expected to be established in connection with the issuance of the Bonds.

Ms. Wong indicated that General Resolution constitutes the Agreement between DASNY and the holders of the bonds issued thereunder. She stated that all of the bonds issued under the General Resolution are on parity with each other but subordinate to those issued under the prior SUNY resolution. Ms. Wong stated that the Bonds are special obligations of DASNY payable solely from the dormitory facilities revenue fund, and the moneys and investments on deposit in the fund. She further stated that additional bonds may be issued under the General Resolution so long as the revenues collected in the preceding fiscal year satisfy the test set forth in the bond counsel letter, with the exception of refunding bonds that produce savings.

Mr. Seaton further described the transaction and the documents in connection with the issuance of the Bonds. He stated that at the time of the initial issuance of Bonds under the General Resolution, DASNY entered into a Financing and Development Agreement with SUNY that sets forth the respective obligations of DASNY and SUNY with respect to the construction, rehabilitation, renovation and improvement of Dormitory Facilities. Mr. Seaton explained that the Agreement imposes upon SUNY certain obligations, including the operation, maintenance and repair of the Dormitory Facilities; establishing fees and charges that, during each SUNY Fiscal Year, will be at least sufficient to pay the debt service on all outstanding bonds under the Prior Resolution and the General Resolution, fund the reserve for operations and maintenance and the

reserve for repair and rehabilitation, the fees and expenses of DASNY, and all expenses for the operation and maintenance of Dormitory Facilities.

Mr. Seaton stated that at the time of the initial issuance of Bonds under the General Resolution, DASNY also entered into a Dormitory Facilities Revenue Fund Administration Agreement with SUNY and the State's Commissioner of Taxation and Finance. He explained that this agreement establishes procedural requirements that govern deposits to and transfers and payments from the Dormitory Facilities Revenue Fund. Mr. Seaton stated that the Authorized Bonds are proposed to be sold in one or more negotiated sales to a syndicate of underwriters pursuant to Bond Purchase Agreements containing customary terms and conditions. He informed the Members that in order to enable the underwriters to purchase and offer the Authorized Bonds consistent with the provisions of Rule 15c2-12, the Series Resolutions authorize DASNY to enter into an agreement to provide continuing disclosure.

Ms. Raleigh moved the adoption of the following entitled Resolutions:

DORMITORY AUTHORITY OF THE STATE OF NEW YORK SERIES 2019A RESOLUTION AUTHORIZING THE ISSUANCE OF A SERIES OF STATE UNIVERSITY OF NEW YORK DORMITORY FACILITIES REVENUE BONDS; and

DORMITORY AUTHORITY OF THE STATE OF NEW YORK SERIES 2019B RESOLUTION AUTHORIZING THE ISSUANCE OF A SERIES OF STATE UNIVERSITY OF NEW YORK DORMITORY FACILITIES REVENUE BONDS; and

DORMITORY AUTHORITY OF THE STATE OF NEW YORK SERIES 2020A RESOLUTION AUTHORIZING THE ISSUANCE OF A SERIES OF STATE UNIVERSITY OF NEW YORK DORMITORY FACILITIES REVENUE BONDS

Ms. Sullivan seconded the motion and the Resolutions were unanimously adopted.

The Convent of the Sacred Heart School of New York

Mr. Ostrander stated that before the Members for their consideration is a Resolution to Proceed with the issuance of one or more series of tax-exempt and/or taxable, fixed and/or variable rate bonds, each in an amount not to exceed \$25,000,000 on behalf of The Convent of the Sacred Heart School of New York.

Mr. Ostrander stated that the client operates a non-residential school for pre-kindergarten through grade 12 girls and is located on the upper east side of Manhattan. He further stated that this will be the School's second financing through DASNY, the first of which financed a portion of the School's athletic facility in 2011.

Mr. Ostrander informed the Members that the proceeds of the Bonds would refund all or a portion of DASNY's Convent of the Sacred Heart Insured Revenue Bonds, Series 2011. He explained that the issuance will result in savings to the School with no extension of maturity. Mr. Ostrander stated that the Bonds are expected to be sold through a private placement. He further

stated that the School has issued a Request for Proposals (“RFP”) to potential purchasers and expects to select a single purchaser by the end of October. Mr. Ostrander explained that the Series 2011 bonds are first callable on May 1, 2021, and pursuant to Federal tax law may only be refunded with tax-exempt bonds beginning 90 days before the call date. He further explained that as a result, the School is considering two options to lock in fixed-rate savings in the current market and will select from one of these two options based on the responses received from the RFP process. Mr. Ostrander stated that the School will decide on which option to pursue prior to returning to DASNY for the adoption of documents.

Mr. Ostrander stated that the first option being considered is a taxable to tax-exempt transaction. He explained that under this scenario, the Series 2019 bonds would be issued as taxable bonds at closing, which is anticipated to occur in November 2019. Mr. Ostrander further explained that once the Series 2011 bonds are callable, on or about May 1, 2021, the Series 2019 taxable bonds would then be subject to a mandatory tender and replaced with Series 2021 tax-exempt bonds upon receiving a tax-exempt opinion from bond counsel.

Mr. Ostrander informed the Members that the second option under consideration is a forward delivery. He explained that under this scenario, the purchaser would commit to a tax-exempt fixed rate in November 2019, but the Series 2021 refunding bonds would not be issued until the Series 2011 Bonds are callable, currently expected to be on or about May 1, 2021. Mr. Ostrander indicated that at that point, the Series 2021 bonds would bear interest at the pre-determined tax-exempt rate upon receiving a tax-exempt opinion from bond counsel. He noted that conservatively assuming a taxable rate through final maturity, the refunding of the Series 2011 Bonds would result in total net present value savings in the range of \$3.3 million, or 14.2% of the refunded bonds.

Mr. Ostrander stated that the School has experienced consistent demand for a limited number of openings and that applications have averaged approximately 500 annually. He reported that for fall 2018, the School had an acceptance rate of 32%. Mr. Ostrander further reported that enrollment has averaged approximately 723 students over the last five years. Mr. Ostrander stated that the School’s balance sheet reflects a growing financial resource base over the last five years due to a combination of positive operating margins, investment earnings, and fundraising support. He indicated that the School’s total net assets have increased by 7.8% during that time, from \$105.5 million in 2014 to \$113.7 million in 2018.

Mr. Ostrander stated that the School has received an A- rating from Standard & Poor’s. He noted that since the bonds will be privately placed, no rating is expected.

The Chair complimented Mr. Ostrander on the Transaction Summary. He stated that it was well done and very informative.

Mr. Ronski moved the adoption of the following entitled Resolution:

A RESOLUTION OF THE DORMITORY AUTHORITY OF THE STATE OF NEW YORK (DASNY) AUTHORIZING STAFF AND BOND COUNSEL TO PROCEED TO TAKE THE NECESSARY ACTION TO PREPARE THE APPROPRIATE DOCUMENTS TO PROVIDE FOR THE FINANCING OF FACILITIES FOR CONVENT OF THE SACRED HEART

Mr. Gardner seconded the motion and the Resolution was unanimously adopted.

Montefiore Medical Center - TELP

Ms. Lee reported that the Board is being asked to recommend an amendment to the approval of a TELP transaction for Montefiore Medical Center in the amount of \$44,870,565. She explained that an amended Resolution to Proceed is now required, as the DASNY Board originally approved a TELP transaction in the amount of \$32,988,567 on June 19, 2019. Ms. Lee further explained that the equipment list being financed with the TELP proceeds has been revised, and the total amount has increased from \$32,988,567 to \$44,870,565. Ms. Lee directed the Members' attention to the equipment list provided with the Board materials, which details the items to be acquired.

Ms. Raleigh moved the adoption of the following entitled Resolution:

A RESOLUTION OF THE DORMITORY AUTHORITY OF THE STATE OF NEW YORK (DASNY) AUTHORIZING STAFF AND BOND COUNSEL TO PROCEED TO TAKE THE NECESSARY ACTION TO PREPARE, AND THE DORMITORY AUTHORITY TO EXECUTE ONE OR MORE MASTER LEASE AND SUBLEASE AGREEMENTS AND ANY OTHER APPROPRIATE DOCUMENTS TO MAKE EQUIPMENT HAVING A VALUE IN EXCESS OF \$10,000,000 AVAILABLE TO MONTEFIORE MEDICAL CENTER UNDER THE TAX-EXEMPT LEASING PROGRAM

Ms. Sullivan seconded the motion and the Resolution was unanimously adopted.

The Chair indicated that the Governance Committee Meeting had been postponed until next month.

President's Report

The Chair directed the Members attention to the written President's Report. He asked Mr. Koopman, Vice President, to give a brief report.

Mr. Koopman directed the Members' attention to the written report and highlighted several items. He informed the Members that as in past years, DASNY was an active participant in the annual MWBE Conference that was held on October 2-3, 2019. Mr. Koopman reported that Michael Clay, Senior Director of Opportunity Programs, was awarded the MWBE Champions

Award at the Champions Dinner. Mr. Koopman stated that he has worked with Mr. Clay for many years and the honor is well-deserved.

Mr. Koopman reported that the transition of responsibility from former President Gerrard Bushell and Vice-President Michael Corrigan has proceeded very smoothly. He stated that approval authority has been fully transitioned to relevant Staff, and that administrative matters have been properly addressed. Mr. Koopman acknowledged the continuing support and assistance of Mr. Corrigan, and stated that his involvement has been much appreciated as the transfer of institutional knowledge progresses.

Recognition of Service

The Chair presented a Resolution to the Members recognizing the service and contribution of Dr. Gerrard P. Bushell, DASNY's former President. He directed the Members' attention to the Resolution and read portions of the Resolution aloud. The Chair stated that Gerrard P. Bushell, Ph.D. was appointed President & CEO of DASNY by Governor Andrew M. Cuomo on May 21, 2015, and was the first DASNY President & CEO to be confirmed by the New York State Senate. He further stated that Dr. Bushell expanded DASNY's reach by implementing new service offerings including hybrid financing and a broadening of DASNY's energy performance contracting business and tax-exempt equipment leasing program. The Chair recited that during his nearly four-and-a-half years at DASNY, Dr. Bushell directed a comprehensive redesign of DASNY's corporate structure that streamlined internal processes, created greater efficiencies, and advanced alternative construction delivery methods, such as design-build and construction-manager build, to expedite infrastructure projects, leading to the successful deployment of design-build at SUNY Brockport, where DASNY completed a \$22.8 million, 263 bed, residence hall in just 13 months with a 32 percent MWBE participation rate, paving the way for new opportunities such as the \$750 million Life Sciences Public Health Laboratory and a \$33.5 million, 257 bed, residence hall at SUNY Polytechnic Institute.

The Chair summarized that during Dr. Bushell's tenure as President, DASNY led the nation as the number one bond issuer twice, and broke its financing record by closing Fiscal Year 2019 with approximately \$8.7 billion in bond issues, including the largest private client deal in DASNY's history, an \$829 million hybrid financing for New York University. He informed the Members that Dr. Bushell successfully integrated DASNY's Procurement Unit and Opportunity Programs Group to ensure that diversity and inclusion are a centerpiece of DASNY's contracting process; established a Public Finance Diversity Fellowship to promote diversity within the finance industry; empaneled many small businesses, MWBEs, and service-disabled, veteran-owned businesses to provide professional services; built upon DASNY's Surety Bond Training Program to expand capacity; partnered with minority and majority underwriters and bond counsel firms on numerous financings; hired the first MWBE firm to act as DASNY's broker of record for general liability insurance; and gained statutory authority to establish a pilot program to create targeted, competitive procurement opportunities for small businesses and MWBEs.

On behalf of the Board, the Chair thanked Dr. Bushell for the dedication, commitment, leadership, vision, integrity, and management skills he brought to DASNY during his tenure and wished him success in his future endeavors.

The Board Chair asked for approval of the following entitled Resolution by Acclamation:

A RESOLUTION OF THE MEMBERS OF THE BOARD OF THE DORMITORY AUTHORITY OF THE STATE OF NEW YORK (“DASNY”) ACKNOWLEDGING WITH APPRECIATION THE SERVICE OF GERRARD P. BUSHELL, PH.D.

The Board Members unanimously consented and the Resolution was adopted.

Public Finance and Portfolio Monitoring Report

Ms. Lee presented the Public Finance and Portfolio Monitoring Report. She stated that before the Members for their consideration is a Resolution authorizing submission of the Health Care Facility Transformation Program Statewide II, Part 2 projects to PACB for approval. Ms. Lee noted that the Board is not being asked to review each project. She informed the Members that this referral process is consistent with past practice with respect to health care capital grant programs including HEAL, CRFP, and the Kings County Transformation Program as well as other healthcare progress as outlined in the memorandum. Ms. Lee stated that the Statewide Program was established for the purpose of strengthening and protecting continued access to health care services in communities throughout the State.

Ms. Raleigh moved the adoption of the following entitled Resolution:

RESOLUTION OF THE MEMBERS OF THE DORMITORY AUTHORITY (DASNY) APPROVING THE SUBMISSION OF STATEWIDE II, PART 2, PROJECTS TO THE PUBLIC AUTHORITIES CONTROL BOARD

Mr. Swierczewski seconded the motion and the Resolution was unanimously adopted.

Ms. Lee reported that since the last Board meeting, DASNY priced the Cornell and Northwell transactions. She stated that the Northwell transaction contemplated a debt structure with a twelve-year deferral of principal and amortization from 2031 through 2040. Ms. Lee further stated that revised information was subsequently provided to support eight (8) years of additional asset life and, as a result, the structure was revised to reflect amortization from 2031 to 2048. She noted that a revised DOH memo was provided and is included in the Member’s handouts. Ms. Lee further noted that the pricing was very successful.

Ms. Lee informed the Members that the MSK transaction priced last week and was also very successful. She reminded the Members that a portion of the MSK bonds were priced competitively by taking bids from the syndicate and the remainder were sold by negotiated sale through Goldman. Ms. Lee stated that the combined sale worked out very well for the client.

Ms. Lee then provided a brief market update. She stated that total new issue supply is approximately \$298 billion year-to-date, which is 11.6% higher than supply levels seen at this time last year. She indicated that total supply for the holiday-shortened week is expected to be very heavy at about \$12.8 billion. Ms. Lee stated that U.S. treasuries weakened upon news that the

U.S. and China reached a partial trade agreement. She reported that top-rated municipal bonds were also weaker across the curve, and that the 10-year and 30-year AAA MMD were up eight basis points from the previous day. Ms. Lee indicated that municipal bond funds have now reported 40 consecutive weeks of inflows. She stated that the one, ten and 30-year MMD have increased 2, 5 and 4 basis points since the September Board Meeting. Ms. Lee further stated that despite the increases, rates remain historically very low, which accounts for the increased number of refunding transactions that have come before the Board recently. She noted that taxable advance refundings are also financially advantageous for many clients.

Ms. Lee informed the Members that the Quarterly Financial Advisor Report and the Single Approval Pipeline Report are included with the Board materials. She stated that the materials also include a revised Single Approval Pipeline report reflecting Doug Seaton as the MWBE Co-Bond Counsel for the Barnard financing.

Ms. Lee reported that Staff continues the One DASNY implementation efforts and will continue to keep the Board informed regarding outreach to clients and financing partners.

Ms. Lee informed the Members that Larry Volk, Senior Director, Portfolio Management and Andrew Purcell, Director, Public Finance, are both retiring. She stated that today is Mr. Purcell's last day at DASNY and Mr. Volk will retire at the end of the month. Ms. Lee indicated that both are critical members of her team and are valuable DASNY staff members.

The Board Chair thanked Mr. Volk and Mr. Purcell for their years of service. He stated that Mr. Volk was perfectly suited to his role as Senior Director of Portfolio Management. The Chair informed the Members that Mr. Volk earned a Bachelor of Science in Chemical Engineering from Clarkson College; a Juris Doctor from Albany Law School; and a Master of Business Administration from Rensselaer Polytechnic Institute. He stated that Mr. Volk has more than 25 years in the public sector, including Counsel to the New York State Housing Finance Agency and the New York State Medical Care Facilities Finance Agency; and Director of Product Development and Marketing at the United States Department of Housing & Urban Development (HUD). The Chair further stated that this is Mr. Volk's second term of service at DASNY and that during this time, he has fostered strong working relationships with colleagues at DASNY and with other entities including the New York State Department of Health.

The Chair informed the Members that Mr. Volk's knowledge and understanding of the complexities of the health care and higher education sectors is exceptional, and that he knows both the largest trends and the smallest details. The Chair stated that Mr. Volk has provided key oversight of distressed hospitals, and in doing so has tested his financial, legal and business prowess when dealing with covenant issues, Management Consultants and Debtor-In-Possession financings. He further stated that Mr. Volk has worked on all of the high-profile health care issues involving DASNY, including One Brooklyn Health System; the Health Care Facilities Restructuring Pool (HFRP); the implementation of the Health Care Efficiency and Affordability Law (HEAL); and the implementation of the Capital Restructuring Financing Program (CRFP) grant awards. The Chair expressed that Mr. Volk will be greatly missed. The Members and Staff stood and applauded Mr. Volk.

The Chair then went on to speak about Mr. Purcell. He stated that Mr. Purcell has more than 30 years of service with DASNY. The Chair informed the Members that Mr. Purcell was employed by Peat Marwick prior to working at DASNY. He noted that Mr. Purcell holds a degree in Accounting from Lycoming College in Williamsport, Pennsylvania. The Chair stated that Mr. Purcell has worked his way up at DASNY and has been one of DASNY's most influential staff members. The Chair indicated that Mr. Purcell's first position with DASNY was as a Senior Accountant in 1989 and that he is leaving as the Director of Public Finance.

The Chair stated that many changes have occurred at DASNY during Mr. Purcell's tenure. He further stated that Mr. Purcell has been at the forefront of advocating for DASNY's clients through these changes and helped to guide many health care clients through the financing process including after DASNY and MCFFA merged in 1995. The Chair informed the Members that in the late 1990s and early 2000's, Mr. Purcell helped explain the new Obligated Group structure to the Board and continues to respond to inquiries regarding these financing structures. The Chair stated that as a leading proponent of One DASNY, Mr. Purcell was instrumental in the successful implementation of numerous organizational process improvements and applied many of these improvements to recent transactions such as Montefiore Health System's hybrid tax-exempt/taxable financing and the Catholic Health System of Western New York's financing. The Chair noted that throughout Mr. Purcell's tenure with DASNY, he has worked on over 230 financings, worth more than \$46.5 billion. The Chair stated that Mr. Purcell will be greatly missed. The Members and Staff stood and applauded Mr. Purcell.

Mr. Gardner moved that the Members go into Executive Session to discuss the financial and credit history of particular corporations; proposed, pending or current litigation; and the employment history of persons or matters leading to the appointment, employment, promotion, demotion, discipline, suspension, dismissal or removal of particular persons.

Ms. Sullivan seconded the motion, and the Meeting went into Executive Session.

EXECUTIVE SESSION

No action was taken in Executive Session other than to return to Public Session.

PUBLIC SESSION

General Counsel's Report

Mr. Cusack stated that before the Members for their consideration is a Resolution authorizing the partnering between Nixon Peabody LLP and D. Seaton & Associates in connection with their service as Bond Counsel. He explained that the Resolution would result in a clarification to the procured Bond Counsel panel and formally authorize D. Seaton and Associates to work with the firm of Nixon Peabody.

Mr. Cusack explained that Squire Patton Boggs (US) LLP (formerly Squire Sanders) and D. Seaton & Associates, P.A. were selected during the 2016 Legal Services RFP process as a joint venture. He stated that subsequently, Chris Reitzel, Esq. and Jeffrey Pohl, Esq., two of the primary

bond financing attorneys formerly with Squire Patton Boggs (US) LLP, moved to Nixon Peabody, LLP. Mr. Cusack informed the Members that a question was posed as to whether Nixon Peabody LLP was authorized to work with D. Seaton & Associates, P.A., as D. Seaton & Associates is not separately listed on the 2016 Resolution as an emerging firm. He noted that this is because D. Seaton & Associates, P.A. does not consider itself to be an emerging firm. Mr. Cusack stated that Nixon Peabody did not make a joint venture proposal in its RFP response, but instead indicated that their willingness to work with any and all certified MWBE firms through partnering, joint venture and similar arrangements. He reported that Nixon Peabody has delivered on this commitment by establishing relationships with other MWBE firms over the years. Mr. Cusack explained that the Resolution before the Members clarifies that Nixon Peabody's authorization to continue this practice to work with D. Seaton & Associates. He emphasized that this authorization will not prejudice any relationships that Nixon Peabody has with other MWBE firms, nor will it prevent Squire Patton Boggs from working with D. Seaton & Associates in the future.

Mr. Gardner moved the adoption of the following entitled Resolution:

A RESOLUTION OF THE MEMBERS OF THE BOARD OF THE DORMITORY AUTHORITY OF THE STATE OF NEW YORK (DASNY) AUTHORIZING PARTNERING, JOINT VENTURE, MENTOR-PROTÉGÉ PROGRAM OR SIMILAR ARRANGEMENTS BETWEEN NIXON PEABODY LLP AND D. SEATON & ASSOCIATES IN CONNECTION WITH THEIR SERVICE AS BOND COUNSEL TO DASNY

Mr. Johnson seconded the motion and the Resolution was unanimously adopted.

Construction Projects Report

Mr. Curro directed the Members' attention to the photograph on the cover of the Construction Projects Report. He stated that it depicts the recently completed Whiteface Hall project at SUNY Plattsburgh. Mr. Curro further stated that the project included a full gut renovation of the nine-story, 390-bed residence hall, including the addition of kitchens to each floor and lounge space, as well as site improvements. He noted that the adjacent Housing and Residence Life Offices were renovated as well. Mr. Curro informed the Members that design of the \$19 million project commenced in November 2016 and that construction was completed in August 2019.

Mr. Curro summarized that new projects totaling \$29.3 million have been added to DASNY's portfolio. He stated that construction expenditures for the prior fiscal year to date were \$288 million and that the current year-to-date activity through August 2019 was \$280 million, a decrease of \$8 million.

Mr. Curro provided a brief update on several projects and programs. He informed the Members that the General Contractor for the South Beach Psychiatric Center project has revised the October 4, 2019 substantial completion date and is now projecting a mid-November 2019 completion date. Mr. Curro reported that the workforce remains high at the project, with approximately 350-400 workers onsite on weekdays and 150-200 on the weekends. He stated that life/safety system installation continues, together with finish and site work.

Mr. Curro reported that 75% design documents for the Fashion Institute of Technology project were received on September 13 and the design review was completed on October 7. He stated that cost estimates were received on October 4 from two estimators, both of which exceeded the project budget. Mr. Curro noted that the estimates are currently under review. He stated that 100% construction documents are due in November, and bidding is expected to follow in early 2020.

Mr. Curro stated that there was a Project Labor Agreement negotiation session on September 19, and that a letter agreement has been executed to extend the current PLA through December 2019. He informed the Members that negotiations continue with the NYC BCTC and that data requests have been fulfilled and exchanged. He noted that another meeting will be held in late October or early November.

The Chair stated that he enjoys the photographs that are provided with the Construction reports.

Financial Report

Ms. Nadeau stated that she has no information to report in addition to her written report. The Chair thanked Ms. Nadeau for her work, and noted her assistance with the technical portion of the meeting.

The Board Chair thanked Mr. Gilchrist for his service and wished him well in his new position.

Ms. Sullivan stated that she would like to discuss the proposed procurement guidelines at the next meeting. The Board Chair agreed.

The Chair informed the Members that the NGHP Governance Committee Meeting would be postponed until next month.

Ms. Sullivan moved that the Meeting adjourn, Mr. Swierczewski seconded the motion and the Meeting was adjourned at approximately 1:05 p.m.

Respectfully submitted,

Michael E. Cusack
Assistant Secretary