



BOARD MEETING

September 20, 2023 – 12:00 p.m.
100 Bank St, Suite 401 / Burlington, VT and via Zoom

DRAFT MEETING MINUTES

Board Members Participating & Voting: Sean Brown (as designee for Secretary Clouser), Fritz Burkhardt, Ken Gibbons, Mario Hankerson, Ken Linsley, Peter Moino (as designee for Secretary Samuelson), Treasurer Mike Pieciak, Neal Robinson, and Lauren Wobby

Board Members Absent: Bill Bates (as designee for Secretary Bouchey), Anita Bourgeois, Ed Ogorzalek, and Stuart Wepler

Staff Participating: Michael Gaughan, Elizabeth King, and Ken Linge

Guests: Larry Bauer – Norton Rose Fulbright, Matt Hughey – Norton Rose Fulbright, Scott Baker – State Treasurer's Office

The meeting was called to order by Mr. Burkhardt at 12:02 p.m. He asked if there were any changes to the meeting agenda.

Approve June 14, 2023 Board Minutes

Mr. Burkhardt introduced the need to approve the minutes of the prior meeting. Mr. Gibbons abstained from the vote.

Motion: Mr. Moino moved and Mr. Robinson seconded the motion to approve the June 14, 2023 meeting minutes. The minutes were approved unanimously.

State Code of Ethics

Mr. Gaughan described the governor's executive order that extends the State Code of Ethics to all state boards and commission.

Motion: Mr. Robinson moved and Mr. Linsley seconded a motion to adopt the State Code of Ethics as a replacement to the Vermont Educational and Health Buildings Financing Agency's Conflict of Interest Policy. The motion was approved unanimously.

Consideration of the Expansion of the Members of UVM Medical Center's Obligated Group

Mr. Bauer introduced the purpose of the resolution and the steps needed to expand the UVM Medical Center's obligated group, which includes VEHBFA approved debt related to Porter Hospital and Helen Porter Nursing Home. He also described the purpose of the master trust indenture used by UVM Medical Center.

He noted that Norton Rose will deliver two no adverse effect tax opinions as part of the consolidation.

Motion: Mr. Linsley moved and Ms. Wobby seconded a motion to adopt the attached resolution approving the attached resolution. The motion was approved unanimously following a roll call vote.

There being no other business to come before the Board, Mr. Robinson moved and Mr. Gibbons seconded a motion to adjourn.

These Minutes were approved by the Board of Directors at a duly warned meeting on _____.

RESOLUTION AUTHORIZING AMENDMENTS TO CERTAIN
DOCUMENTS RELATING TO AGENCY BONDS ISSUED
FOR THE BENEFIT OF PORTER HOSPITAL, INC. AND
HELEN PORTER NURSING HOME, INC.

WHEREAS, Porter Hospital, Inc. (the “Hospital”) is a private, nonprofit corporation duly incorporated and validly existing under and by virtue of the laws of the State of Vermont, and owns and operates certain healthcare facilities located in Middlebury, Vermont; and

WHEREAS, Vermont Educational and Health Buildings Financing Agency (hereinafter sometimes called the “Agency”) has previously issued, for the benefit of the Hospital, its Revenue Bond (Porter Hospital Project) Refunding Series 2015A (the “Porter Bond”), pursuant to a Bond Purchase Agreement, dated as of August 1, 2015 (the “Porter BPA”), by and among the Agency, Manufacturers and Traders Trust Company (now M&T Bank) (“M&T”) and the Hospital; and

WHEREAS, the payment of the principal of and premium, if any, and interest on the Porter Bond is secured by loan repayments made by the Hospital pursuant to a Loan Agreement, dated as of August 1, 2015 (the “Porter Loan Agreement”), between the Agency and the Hospital; and

WHEREAS, the Porter Bond is additionally secured by Obligation No. 3 delivered by the Hospital pursuant to the Master Trust Indenture, dated as of June 1, 2005, as supplemented (the “Porter Master Indenture”), by and between U.S. Bank Trust Company, National Association, successor master trustee thereunder (the “Porter Master Trustee”), and the Hospital, including as supplemented by Supplemental Master Trust Indenture No. 3, dated as of August 1, 2015, between the Hospital and the Master Trustee; and

WHEREAS, Helen Porter Nursing Home, Inc. (the “Nursing Home” and together with the Hospital, the “Corporations”) is a private, nonprofit corporation duly incorporated and validly existing under and by virtue of the laws of the State of Vermont, and owns and operates a nursing home facility located in Middlebury, Vermont; and

WHEREAS, the Agency has previously issued, for the benefit of the Nursing Home, its Revenue Bond (Helen Porter Nursing Home Project) Refunding Series 2015A (the “Helen Porter Bond” and together with the Porter Bond, the “Bonds”), pursuant to a Bond Purchase Agreement, dated as of August 1, 2015 (the “Helen Porter BPA” and together with the Porter BPA, the “BPAs”), by and among the Agency, M&T and the Nursing Home; and

WHEREAS, the payment of the principal of and premium, if any, and interest on the Helen Porter Bond is secured by loan repayments made by the Nursing Home pursuant to a Loan Agreement, dated as of August 1, 2015 (together with the Porter Loan Agreement, the “Loan Agreements”), between the Agency and the Nursing Home; and

WHEREAS, the Helen Porter Bond is additionally secured by Obligation No. 4 delivered by the Nursing Home pursuant to the Porter Master Indenture, including as supplemented by Supplemental Master Trust Indenture No. 4, dated as of August 1, 2015, between the Nursing Home and the Porter Master Trustee; and

WHEREAS, the Corporations have determined at this time to withdraw from the Obligated Group, as defined in the Porter Master Indenture (the “Porter Obligated Group”), and, simultaneously, join the Obligated Group, as such term is defined in the Amended and Restated Master Trust Indenture, dated as of March 1, 2004, as amended and supplemented (the “UVMC Master Trust Indenture”), by and between The University of Vermont Medical Center Inc. and U.S. Bank Trust Company, National Association, as successor Master Trustee thereunder (such Obligated Group being hereinafter referred to as the “UVMC Obligated Group”); and

WHEREAS, M&T, as holder of the Bonds, has indicated that it is willing, simultaneously with the Corporations’ withdrawal from the Porter Obligated Group and their joining the UVMC Obligated Group, to have the Porter Bond and the Nursing Home Bond be secured by separate obligations to be delivered by the Hospital and the Nursing Home, respectively, to the Agency (and endorsed or assigned by the Agency to M&T), each such obligation to be issued pursuant to a separate indenture supplemental to the UVMC Master Trust Indenture; and

WHEREAS, M&T has requested that the Agency prepare and execute a replacement bond for the Porter Bond under the Porter BPA (the “Replacement Porter Bond”) and a replacement bond for the Helen Porter Bond under the Helen Porter BPA (the “Replacement Helen Porter Bond”) and together with the Replacement Porter Bond, the “Replacement Bonds”) to take the foregoing transactions into account; and

WHEREAS, the transactions envisioned above will require the Agency’s consent to, and execution of documents evidencing, certain amendments to the BPAs and the Loan Agreements (collectively, the “Amendments”) that will include, among other things, the form of the Replacement Bonds;

NOW, THEREFORE, THE BOARD OF VERMONT EDUCATIONAL AND HEALTH BUILDINGS FINANCING AGENCY HEREBY RESOLVES, as follows:

Section 1. The Executive Director is hereby authorized to cause the preparation of and to execute and deliver such documents as may be necessary to evidence the Amendments, including the form of the Replacement Bonds, subject to the respective terms of the BPAs and the Loan Agreements and the approval of counsel and bond counsel to the Agency, together with such changes, modifications and deletions as the Executive Director, with the advice of counsel, may deem necessary and appropriate; such execution and delivery shall be conclusive evidence of the approval and authorization thereof by the Agency and of such changes, modifications and deletions.

Section 2. The Chairman, Treasurer, Secretary and Executive Director of the Agency are authorized and directed (without limitation except as may be expressly set forth herein) to take such action, publish such notices and to execute and deliver any such additional documents, certificates, undertakings, agreements or other instruments, including executing and delivering to M&T the Replacement Porter Bond and the Replacement Helen Porter Bond, as they, with the advice of counsel, may deem necessary or appropriate to effect the Amendments and any other transactions contemplated by this Resolution.

Section 3. This Resolution shall take effect immediately upon its passage.