



## **BOARD MEETING**

May 6<sup>th</sup>, 2020 – 2:00 p.m.

Via Zoom

## **MEETING MINUTES**

**Board Members Participating & Voting:** Scott Baker (as designee for Treasurer Pearce), Bill Bates (as designee for Secretary French), Anita Bourgeois, Fritz Burkhardt, Brad Ferland (as designee for Secretary Susanne Young), Peter Moino (as designee for Secretary Smith), Ed Ogorzalek, Jim Potvin, Neal Robinson, and Stuart Wepler

**Board Members Absent:** Ken Gibbons, Ken Linsley, and Steve Wisloski

**Staff Participating:** Michael Gaughan

**Guests:** Joe DaBreo – PFM, Derek Hamel – Middlebury College, Matt Hughey – Norton Rose Fulbright, Jim Foley – Lynch & Foley, T.J. Sheehy – Yuba Group, and Mike Thomas – Middlebury College

The meeting was called to order by Mr. Burkhardt at 2:00 p.m.

### Administrative

Mr. Burkhardt asked if there were any changes to the meeting agenda. The Middlebury College presentation was moved to the second item on the agenda.

### Consideration of Financing Application from Middlebury College

Mr. Hamel and Mr. Thomas from Middlebury College provided a presentation that served as an update on the financial status and strategy of the College and the purpose of the proposed financing. He addressed the College's efforts to combat COVID-19 impacts.

Board members asked questions of the debt amortization and ratios in the presentation. Mr. Hamel and Mr. Thomas provided explanations and background.

Mr. Potvin joined the meeting at 2:17 pm.

Mr. Gaughan asked if additional students due an increased admissions rate in combination with existing students on campus would have capital impacts given physical distancing requirements. The College responded that all scenarios were under consideration, but that no long-term capital was currently planned.

Mr. Burkhardt requested confirmation that the refunding would occur within 90 calendar dates to avoid an advance refunding. Norton Rose provided confirmation.

Mr. DaBreo from PFM then provided an overview of the transaction and PFM's written analysis. Mr. Gaughan noted that the amortization schedule for the bond issue had changed since PFM's original analysis. Mr. DaBreo explained that the changes reflected current market feedback and that they would be updating the memo to reflect the new schedule. Incorporating changes, Mr. DaBreo stated PFM's positive recommendation to the Board for the transaction.

Mr. Gaughan disclosed that he had used vacation time to teach a winter term class during January 2019 at the College and had received a related stipend.

Mr. Hughey from Norton Rose Fulbright and Mr. Gaughan provided an update on the TEFRA process indicating that the meeting would take place on Friday, May 8<sup>th</sup>. Mr. Hughey provided an overview of the authorizing resolution and resolution approving certification to the Governor.

*Motion: Mr. Robinson moved and Mr. Weppeler seconded a motion to adopt the attached resolutions approving the Middlebury College refinancing and recommend the transaction to the Governor for approval. The motion was approved unanimously with after a roll call vote of all members in attendance.*

Representatives and agents of Middlebury College and PFM left the meeting following the vote at 2:50 p.m.

### Policy Review

Mr. Gaughan and Mr. Hughey provided an overview of proposed changes to the Debt Issuance & Management Policy. They provided background on requests for loan modifications related to COVID-19 impacts and related mitigation efforts.

Mr. Gaughan highlighted a request included in the board materials from Passumpsic Bank related to Northeastern Vermont Regional Hospital, Inc. to incorporate interest only payments. Many other borrowers are pursuing similar modifications.

Ms. Bourgeois asked if there was value in seeking the governor's approval. Mr. Hughey clarified that this was not legally needed. The board discussed the importance of giving the governor's office notification. Mr. Gaughan asked if ex officio members in the administrative branch would be able to inform the governor or others of changes. Mr. Ferland indicated that he would be able to share the requests with appropriate representatives or the governor.

The Board discussed and added a provision to the proposed policy requiring the Executive Director to give notice to the board prior to agreeing to any deferrals. Mr. Hughey provided language to change the policy to clarify the process to be used.

*Motion: Mr. Potvin moved and Mr. Ogorzalek seconded, a motion approved the proposed changes to the Debt Issuance and Management Policy. The motion was approved unanimously following a roll call vote.*

Mr. Hughey left the meeting at 3:28 p.m.

#### Approve February 19<sup>th</sup>, 2020 Board Minutes

The Board discussed the prior Board. Mr. Moino and Ms. Bourgeois indicated they would be abstaining.

*Motion: Mr. Wepler moved and Mr. Ogorzalek seconded, the motion to approve the February 19<sup>th</sup>, 2020 meeting minutes as modified. The minutes were approved unanimously following a roll call vote.*

#### Review of Finance Committee Reports

Mr. Burkhardt provided an update on the April 21<sup>st</sup>, 2020 meeting of the Finance Committee.

#### Other Business

Mr. Burkhardt discussed that Mr. Potvin would be leaving the Board after many years of service. Members of the board thanked him for his service. All indicated they would like to more formally recognize his service at the next in-person meeting.

*There being no other business to come before the Board, on a motion by Mr. Potvin and Mr. Robinson seconded a motion to adjourn. The motion passed unanimously.*

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These Minutes were approved by the Board of Directors at a duly warned meeting on August 6th, 2020.

RESOLUTION RELATING TO THE ISSUANCE AND AWARD OF  
VERMONT EDUCATIONAL AND HEALTH BUILDINGS  
FINANCING AGENCY REVENUE BONDS  
(MIDDLEBURY COLLEGE PROJECT) SERIES 2020

WHEREAS, The President and Fellows of Middlebury College (the “College”) is a private, nonprofit corporation duly incorporated and validly existing under and by virtue of the laws of the State of Vermont, which corporation operates a college in Middlebury, Vermont; and

WHEREAS, Vermont Educational and Health Buildings Financing Agency (hereinafter sometimes called the “Agency”) has previously issued its Revenue Refunding Bonds (Middlebury College Project) Series 2010 (the “Refunded Bonds”); and

WHEREAS, the College desires to (i) refund all or a portion of the Refunded Bonds; (ii) pay, or reimburse itself for paying, a portion of the cost of the renovation of Warner Hall, including, but not limited to, the installation of an elevator, new mechanical and fire protection systems, upgraded restrooms and other accessibility items, new windows, interior finishes, and classroom technology, as well as the cost of certain other capital projects relating to the College’s capital facilities, including, but not limited to, the renovation of Dana Auditorium (collectively, the “Project”); and (iii) finance the payment of a portion of certain expenses incurred in connection with the issuance of the Bonds (hereinafter defined); and

WHEREAS, the College has made application to the Agency for assistance under Title 16, Chapter 131, Sections 3851-3862, Vermont Statutes Annotated, as amended (the “Act”), for (i) refunding the Refunded Bonds and (ii) financing all or a portion of the costs of the Project by the Agency’s lending to the College sufficient funds for paying, together with other available funds, such costs; and

WHEREAS, the Agency has considered such application of the College and all other pertinent information, data and materials respecting the need for, and the feasibility and the desirability of refunding the Refunded Bonds and financing all or a portion of the costs the Project and has determined that each of such financing and refinancing is necessary and desirable and will effectuate the purposes of the Act and otherwise serve the public interest; and

WHEREAS, the Agency will certify to the Governor of the State, prior to the issuance of the Bonds, that in its opinion the Project is needed and will provide adequate revenue derived from rents or otherwise to repay the Bonds and the interest thereon when due; and

WHEREAS, there have previously been presented to the staff of the Agency copies of forms of the following documents relating to the issuance of the Bonds:

(a) the Bond Indenture (the “Indenture”), between the Agency and The Bank of New York Mellon Trust Company, N.A., as Bond Trustee (the “Bond Trustee”), the provisions of which relate to the issuance of and security for the Bonds;

(b) the Loan Agreement (the “Loan Agreement”), between the Agency and the College, pursuant to which the Agency will lend the proceeds of the Bonds to the College;

(c) an Escrow Deposit Agreement (the “Escrow Agreement”), by and among the Agency, the College and The Bank of New York Mellon Trust Company, N.A., in its capacity as the successor trustee for the Refunded Bonds;

(d) the Contract of Purchase (the “Contract of Purchase”), between the Agency and Goldman Sachs & Co. LLC, as representative of the underwriters (the “Underwriters”), relating to the Bonds; and

(e) the Preliminary Official Statement of the Agency relating to the Bonds (the “Preliminary Official Statement”); and

WHEREAS, the Agency will not be obligated to pay the purchase price or principal or redemption price, if any, of and interest on the Bonds except from the revenues and funds derived from the Loan Agreement or the promissory note of the College delivered in accordance therewith, and neither the faith and credit nor the taxing power of the State of Vermont or of any political subdivision thereof is pledged as security for the payment of the purchase price or principal of or redemption price, if any, or interest on the Bonds; and

WHEREAS, the Agency has determined that the College is financially responsible and capable of fulfilling its obligations under the Loan Agreement;

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

Section 1. Capitalized words and terms used in this Resolution and not defined herein shall have the same meanings in this Resolution as such words and terms are given in the Indenture or the Loan Agreement, as the case may be.

Section 2. Pursuant to the authority granted to it by the Act, the Agency hereby authorizes the issuance of not to exceed \$110,000,000 aggregate principal amount of Vermont Educational and Health Buildings Financing Agency Revenue Bonds (Middlebury College Project) Series 2020 (the “Bonds”), to be issued in one or more series and on one or more dates, consisting of serial Bonds or term Bonds, dated as of such dates, maturing on such dates in such years not later than November 1, 2050 and in such principal amounts and bearing interest at such rate or rates (none of such rates to exceed 6% per annum), all as contemplated by the Indenture and as determined by the Chairman, the Secretary or the Executive Director (each, a “Delegate”) of the Agency, in consultation with Agency staff, financial advisor and counsel, prior to the award of the Bonds.

Section 3. The Bonds shall be subject to redemption at such times, upon such terms and conditions, and at such prices (none of such prices to exceed 103% of the principal amount of the Bonds being redeemed, provided that notwithstanding such maximum price, a make-whole or cost-of-funds premium shall be permitted if, in the opinion of the College’s financial advisor, such premium is advantageous given market conditions and is consistent with comparable bonds issued by borrowers comparable to the College), all as determined by a Delegate, in consultation with Agency staff, financial advisor and counsel, prior to the award of the Bonds. The term Bonds shall have such amortization requirements, if any, as determined by a Delegate, in

consultation with Agency staff, financial advisor and counsel, prior to the award of the Bonds or as may be otherwise set forth in the Indenture.

Section 4. The proceeds of the Bonds (including accrued interest, if any) shall be applied to refund the Refunded Bonds, and pay, or reimburse the College for payment of, costs of the Project and for such other purposes as shall be set forth in the Indenture.

Section 5. The forms, terms and provisions of the Indenture, the Loan Agreement, the Escrow Agreement and the Contract of Purchase, are hereby approved in all respects, and a Delegate is hereby authorized and directed to execute and deliver the Indenture, the Loan Agreement, the Escrow Agreement and the Contract of Purchase in substantially the forms previously presented to the staff of the Agency, together with such changes, modifications and deletions as the Delegate, 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. If more than one series of Bonds are to be issued under the terms of this Resolution, a Delegate is authorized to execute and deliver a separate Contract of Purchase and Escrow Agreement in connection with each series of Bonds with such changes, modifications and deletions as the Delegate, 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 6. The form of the Bonds set forth in the Indenture is hereby approved in all respects, and the Chairman and the Executive Director are hereby authorized and directed to execute by facsimile signature, to attest to the seal of the Agency and to deliver to the Bond Trustee, for authentication on behalf of the Agency, the Bonds in definitive form, which shall be in substantially the form previously presented to the staff of the Agency, together with such changes, modifications and deletions as they, with the advice of counsel, may deem necessary and appropriate and consistent with the Indenture; 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 7. The Agency hereby awards the Bonds to the Underwriters in the aggregate principal amount determined pursuant to Section 2 of this Resolution and at the interest rates determined pursuant to said Section 2 at such purchase price determined by the Chairman or the Treasurer of the Agency (such price not to be less than 98% of said aggregate principal amount nor more than 140% of said aggregate principal amount and resulting in a true interest cost for the Bonds of not in excess of 7%), plus accrued interest, if any.

Section 8. Upon their execution in the form and manner set forth in the Indenture, the Bonds shall be deposited with the Bond Trustee for authentication, and the Bond Trustee is hereby authorized and directed to authenticate and, upon due and valid execution and acceptance of the Contract of Purchase, the Indenture, the Loan Agreement and the Escrow Agreement by the proper parties thereto, the Bond Trustee shall deliver the Bonds to or for the account of the Underwriters against payment therefor in accordance with and subject to the provisions of the Indenture.

Section 9. An official statement, in substantially the form of the Preliminary Official Statement, is hereby approved in all respects, and each Delegate is hereby authorized and directed to execute such official statement, in such form as he, with the advice of counsel, may approve, such execution to be conclusive evidence of the approval thereof by the Agency. The Agency hereby approves and authorizes the distribution and use of copies of the Preliminary Official Statement, the official statement, the Indenture, the Loan Agreement, the Escrow Agreement and the other documents mentioned in Section 5 hereof by the Underwriters in connection with the offering of the Bonds.

Section 10. The Chairman, Treasurer, Secretary and Executive Director are each hereby appointed Agency Representatives, as that term is defined in the Indenture, with full power to carry out the duties set forth therein.

Section 11. Each Delegate is authorized and directed (without limitation except as may be expressly set forth herein) to take such action (including the holding of and supervising at a public hearing in respect of the Bonds as such officer being advised by counsel shall determine) and to execute and deliver any such documents, certificates (including a certificate that the parameters set forth above in respect of the terms of the Bonds have been satisfied), undertakings, agreements or other instruments as they, with the advice of counsel, may deem necessary or appropriate to effect the transactions contemplated by the Indenture, the Loan Agreement, the Contract of Purchase, the Escrow Agreement and the Official Statement.

Section 12. This Resolution shall take effect immediately upon its passage.



RESOLUTION APPROVING CERTIFICATION  
TO THE GOVERNOR

WHEREAS, the Board of the Vermont Educational and Health Buildings Financing Agency (herein sometimes called the “Agency”) has adopted a resolution authorizing the issuance and sale of one or more series of its Vermont Educational and Health Buildings Financing Agency Revenue Bonds (Middlebury College Project) Series 2020 (the “Bonds”) in an aggregate principal amount not to exceed \$110,000,000; and

WHEREAS, all or a portion of the proceeds of the Bond will be used to (i) pay, or reimburse The President and Fellows of Middlebury College (the “College”) for paying, all or a portion of the cost of the renovation of Warner Hall, including, but not limited to, the installation of an elevator, new mechanical and fire protection systems, upgraded restrooms and other accessibility items, new windows, interior finishes, and classroom technology, as well as the cost of certain other capital projects relating to the College’s capital facilities, including, but not limited to, the renovation of Dana Auditorium (collectively, the “Project”); (ii) to refund all or a portion of the Agency’s Revenue Refunding Bonds (Middlebury College Project) Series 2010, and (iii) to finance the payment of a portion of certain expenses incurred in connection with the issuance of the Bonds; and

WHEREAS, Section 3856 of Title 16, Vermont Statutes Annotated, as amended, provides that no bonds of the Agency may be issued to acquire or construct any facilities unless the Agency first certifies to the Governor of the State of Vermont that in its opinion such facilities are needed and will provide adequate revenue derived from rents or otherwise to repay such bonds and the interest thereon when due; and

WHEREAS, the Board has considered pertinent information, data and material respecting the need for and the feasibility and desirability of issuing the Bonds; and

WHEREAS, the Board has examined the financial records of the College relating to its ability to make payments under the Loan Agreement mentioned in said resolution to repay the Bonds and the interest thereon when due; and

WHEREAS, Section 147(f) of the Internal Revenue Code of 1986, as amended (the “Code”), provides that, under such circumstances, approval of an “applicable elected representative” following a duly noticed public hearing must be obtained prior to the issuance of obligations such as the Bonds if such obligations are to be treated as qualified bonds for purposes of the Code; and

WHEREAS, the Agency will conduct a duly noticed public hearing on May 8<sup>th</sup>, 2020;

WHEREAS, the Governor is, for purposes of the Code, the “applicable elected representative” for purposes of Section 147(f)(2)(C) of the Code; and

WHEREAS, there has been prepared and submitted to the Board a form of certification to the Governor required under the Code; and

WHEREAS, the Board has examined and considered said form of certification;

NOW, THEREFORE;

BE IT RESOLVED, by the Board of Vermont Educational and Health Buildings Financing Agency that the certification in connection with the issuance of Vermont Educational and Health Buildings Financing Agency Revenue Bonds (Middlebury College Project) Series 2020, in an aggregate principal amount not to exceed \$110,000,000 is hereby approved in substantially the form presented to this meeting, with such changes, insertions and omissions as may be approved by the Chairman, Treasurer, Secretary or Executive Director of the Agency, his signing of such certification to be conclusive evidence of his approval of any such changes, insertions and omissions, and said Chairman, Treasurer, Secretary or Executive Director is hereby authorized and directed to sign said certification in the name of and on behalf of the Agency and to deliver or cause to be delivered said certification to the Governor of the State of Vermont.

\_\_\_\_\_, 2020

Honorable Philip Scott  
Governor, State of Vermont  
Pavilion Office Building  
109 State Street  
Montpelier, VT 05602

Re: NOT TO EXCEED \$110,000,000 VERMONT EDUCATIONAL AND HEALTH  
BUILDINGS FINANCING AGENCY REVENUE BONDS  
(MIDDLEBURY COLLEGE PROJECT) SERIES 2020

Dear Governor Scott:

Vermont Educational and Health Buildings Financing Agency proposes to issue one or more series of its Revenue Bonds (Middlebury College Project) Series 2020 (the “Bonds”), on behalf of The President and Fellows of Middlebury College (the “College”), a private, nonprofit corporation incorporated and existing under the laws of the State of Vermont, and an eligible institution within the meaning of said term as defined in Section 3851 of Title 16, Vermont Statutes Annotated, as amended, to provide funds to the College for the purpose of (i) refunding the Agency’s outstanding Revenue Refunding Bonds (Middlebury College Project) Series 2010, (ii) paying, or reimbursing the College for paying, all or a portion of the cost of the renovation of Warner Hall, including, but not limited to, the installation of an elevator, new mechanical and fire protection systems, upgraded restrooms and other accessibility items, new windows, interior finishes, and classroom technology, as well as the cost of certain other capital projects relating to the College’s capital facilities, including, but not limited to, the renovation of Dana Auditorium (the “Project”) and (iii) paying, or reimbursing the College for paying, certain costs incurred in connection with the issuance of the Bonds.

The Agency proposes to enter into a Loan Agreement with the College providing for the loan of the proceeds of the Bonds to the College, which Loan Agreement requires the College, among other things, to make payments sufficient to pay the principal of and premium, if any, and interest on the Bonds as the same becomes due and payable. The College will bear all costs incurred in connection with, and will pay certain costs and expenses of the Agency relating to, the Project.

Further, the Agency has accepted the proposal of Goldman Sachs & Co. LLC, as representative of the underwriters (the “Underwriters”), which Underwriters have been selected by the College, to purchase the Bonds.

Based on the foregoing and, among other things, the proposal of Underwriters, to purchase the Bonds, in compliance with the provisions of Section 3856 of Title 16, Vermont Statutes Annotated, as amended, the Agency hereby certifies that it has conducted a duly noticed public hearing in accordance with Section 147(f) of the Internal Revenue Code of 1986, as amended, the Project is needed and the College will generate sufficient revenues from all operations to meet its obligations under the Loan Agreement in order to repay the Bonds and the interest thereon when due.

Vermont Educational and Health  
Buildings Financing Agency

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Executive Director

RESOLUTION RELATING TO THE ISSUANCE AND AWARD OF  
VERMONT EDUCATIONAL AND HEALTH BUILDINGS  
FINANCING AGENCY REVENUE BONDS  
(MIDDLEBURY COLLEGE PROJECT) SERIES 2020

WHEREAS, The President and Fellows of Middlebury College (the “College”) is a private, nonprofit corporation duly incorporated and validly existing under and by virtue of the laws of the State of Vermont, which corporation operates a college in Middlebury, Vermont; and

WHEREAS, Vermont Educational and Health Buildings Financing Agency (hereinafter sometimes called the “Agency”) has previously issued its Revenue Refunding Bonds (Middlebury College Project) Series 2010 (the “Refunded Bonds”); and

WHEREAS, the College desires to (i) refund all or a portion of the Refunded Bonds; (ii) pay, or reimburse itself for paying, a portion of the cost of the renovation of Warner Hall, including, but not limited to, the installation of an elevator, new mechanical and fire protection systems, upgraded restrooms and other accessibility items, new windows, interior finishes, and classroom technology, as well as the cost of certain other capital projects relating to the College’s capital facilities, including, but not limited to, the renovation of Dana Auditorium (collectively, the “Project”); and (iii) finance the payment of a portion of certain expenses incurred in connection with the issuance of the Bonds (hereinafter defined); and

WHEREAS, the College has made application to the Agency for assistance under Title 16, Chapter 131, Sections 3851-3862, Vermont Statutes Annotated, as amended (the “Act”), for (i) refunding the Refunded Bonds and (ii) financing all or a portion of the costs of the Project by the Agency’s lending to the College sufficient funds for paying, together with other available funds, such costs; and

WHEREAS, the Agency has considered such application of the College and all other pertinent information, data and materials respecting the need for, and the feasibility and the desirability of refunding the Refunded Bonds and financing all or a portion of the costs the Project and has determined that each of such financing and refinancing is necessary and desirable and will effectuate the purposes of the Act and otherwise serve the public interest; and

WHEREAS, the Agency will certify to the Governor of the State, prior to the issuance of the Bonds, that in its opinion the Project is needed and will provide adequate revenue derived from rents or otherwise to repay the Bonds and the interest thereon when due; and

WHEREAS, there have previously been presented to the staff of the Agency copies of forms of the following documents relating to the issuance of the Bonds:

(a) the Bond Indenture (the “Indenture”), between the Agency and The Bank of New York Mellon Trust Company, N.A., as Bond Trustee (the “Bond Trustee”), the provisions of which relate to the issuance of and security for the Bonds;

(b) the Loan Agreement (the “Loan Agreement”), between the Agency and the College, pursuant to which the Agency will lend the proceeds of the Bonds to the College;

(c) an Escrow Deposit Agreement (the “Escrow Agreement”), by and among the Agency, the College and The Bank of New York Mellon Trust Company, N.A., in its capacity as the successor trustee for the Refunded Bonds;

(d) the Contract of Purchase (the “Contract of Purchase”), between the Agency and Goldman Sachs & Co. LLC, as representative of the underwriters (the “Underwriters”), relating to the Bonds; and

(e) the Preliminary Official Statement of the Agency relating to the Bonds (the “Preliminary Official Statement”); and

WHEREAS, the Agency will not be obligated to pay the purchase price or principal or redemption price, if any, of and interest on the Bonds except from the revenues and funds derived from the Loan Agreement or the promissory note of the College delivered in accordance therewith, and neither the faith and credit nor the taxing power of the State of Vermont or of any political subdivision thereof is pledged as security for the payment of the purchase price or principal of or redemption price, if any, or interest on the Bonds; and

WHEREAS, the Agency has determined that the College is financially responsible and capable of fulfilling its obligations under the Loan Agreement;

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

Section 1. Capitalized words and terms used in this Resolution and not defined herein shall have the same meanings in this Resolution as such words and terms are given in the Indenture or the Loan Agreement, as the case may be.

Section 2. Pursuant to the authority granted to it by the Act, the Agency hereby authorizes the issuance of not to exceed \$110,000,000 aggregate principal amount of Vermont Educational and Health Buildings Financing Agency Revenue Bonds (Middlebury College Project) Series 2020 (the “Bonds”), to be issued in one or more series and on one or more dates, consisting of serial Bonds or term Bonds, dated as of such dates, maturing on such dates in such years not later than November 1, 2050 and in such principal amounts and bearing interest at such rate or rates (none of such rates to exceed 6% per annum), all as contemplated by the Indenture and as determined by the Chairman, the Secretary or the Executive Director (each, a “Delegate”) of the Agency, in consultation with Agency staff, financial advisor and counsel, prior to the award of the Bonds.

Section 3. The Bonds shall be subject to redemption at such times, upon such terms and conditions, and at such prices (none of such prices to exceed 103% of the principal amount of the Bonds being redeemed, provided that notwithstanding such maximum price, a make-whole or cost-of-funds premium shall be permitted if, in the opinion of the College’s financial advisor, such premium is advantageous given market conditions and is consistent with comparable bonds issued by borrowers comparable to the College), all as determined by a Delegate, in consultation with Agency staff, financial advisor and counsel, prior to the award of the Bonds. The term Bonds shall have such amortization requirements, if any, as determined by a Delegate, in

consultation with Agency staff, financial advisor and counsel, prior to the award of the Bonds or as may be otherwise set forth in the Indenture.

Section 4. The proceeds of the Bonds (including accrued interest, if any) shall be applied to refund the Refunded Bonds, and pay, or reimburse the College for payment of, costs of the Project and for such other purposes as shall be set forth in the Indenture.

Section 5. The forms, terms and provisions of the Indenture, the Loan Agreement, the Escrow Agreement and the Contract of Purchase, are hereby approved in all respects, and a Delegate is hereby authorized and directed to execute and deliver the Indenture, the Loan Agreement, the Escrow Agreement and the Contract of Purchase in substantially the forms previously presented to the staff of the Agency, together with such changes, modifications and deletions as the Delegate, 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. If more than one series of Bonds are to be issued under the terms of this Resolution, a Delegate is authorized to execute and deliver a separate Contract of Purchase and Escrow Agreement in connection with each series of Bonds with such changes, modifications and deletions as the Delegate, 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 6. The form of the Bonds set forth in the Indenture is hereby approved in all respects, and the Chairman and the Executive Director are hereby authorized and directed to execute by facsimile signature, to attest to the seal of the Agency and to deliver to the Bond Trustee, for authentication on behalf of the Agency, the Bonds in definitive form, which shall be in substantially the form previously presented to the staff of the Agency, together with such changes, modifications and deletions as they, with the advice of counsel, may deem necessary and appropriate and consistent with the Indenture; 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 7. The Agency hereby awards the Bonds to the Underwriters in the aggregate principal amount determined pursuant to Section 2 of this Resolution and at the interest rates determined pursuant to said Section 2 at such purchase price determined by the Chairman or the Treasurer of the Agency (such price not to be less than 98% of said aggregate principal amount nor more than 140% of said aggregate principal amount and resulting in a true interest cost for the Bonds of not in excess of 7%), plus accrued interest, if any.

Section 8. Upon their execution in the form and manner set forth in the Indenture, the Bonds shall be deposited with the Bond Trustee for authentication, and the Bond Trustee is hereby authorized and directed to authenticate and, upon due and valid execution and acceptance of the Contract of Purchase, the Indenture, the Loan Agreement and the Escrow Agreement by the proper parties thereto, the Bond Trustee shall deliver the Bonds to or for the account of the Underwriters against payment therefor in accordance with and subject to the provisions of the Indenture.

Section 9. An official statement, in substantially the form of the Preliminary Official Statement, is hereby approved in all respects, and each Delegate is hereby authorized and directed to execute such official statement, in such form as he, with the advice of counsel, may approve, such execution to be conclusive evidence of the approval thereof by the Agency. The Agency hereby approves and authorizes the distribution and use of copies of the Preliminary Official Statement, the official statement, the Indenture, the Loan Agreement, the Escrow Agreement and the other documents mentioned in Section 5 hereof by the Underwriters in connection with the offering of the Bonds.

Section 10. The Chairman, Treasurer, Secretary and Executive Director are each hereby appointed Agency Representatives, as that term is defined in the Indenture, with full power to carry out the duties set forth therein.

Section 11. Each Delegate is authorized and directed (without limitation except as may be expressly set forth herein) to take such action (including the holding of and supervising at a public hearing in respect of the Bonds as such officer being advised by counsel shall determine) and to execute and deliver any such documents, certificates (including a certificate that the parameters set forth above in respect of the terms of the Bonds have been satisfied), undertakings, agreements or other instruments as they, with the advice of counsel, may deem necessary or appropriate to effect the transactions contemplated by the Indenture, the Loan Agreement, the Contract of Purchase, the Escrow Agreement and the Official Statement.

Section 12. This Resolution shall take effect immediately upon its passage.



RESOLUTION APPROVING CERTIFICATION  
TO THE GOVERNOR

WHEREAS, the Board of the Vermont Educational and Health Buildings Financing Agency (herein sometimes called the “Agency”) has adopted a resolution authorizing the issuance and sale of one or more series of its Vermont Educational and Health Buildings Financing Agency Revenue Bonds (Middlebury College Project) Series 2020 (the “Bonds”) in an aggregate principal amount not to exceed \$110,000,000; and

WHEREAS, all or a portion of the proceeds of the Bond will be used to (i) pay, or reimburse The President and Fellows of Middlebury College (the “College”) for paying, all or a portion of the cost of the renovation of Warner Hall, including, but not limited to, the installation of an elevator, new mechanical and fire protection systems, upgraded restrooms and other accessibility items, new windows, interior finishes, and classroom technology, as well as the cost of certain other capital projects relating to the College’s capital facilities, including, but not limited to, the renovation of Dana Auditorium (collectively, the “Project”); (ii) to refund all or a portion of the Agency’s Revenue Refunding Bonds (Middlebury College Project) Series 2010, and (iii) to finance the payment of a portion of certain expenses incurred in connection with the issuance of the Bonds; and

WHEREAS, Section 3856 of Title 16, Vermont Statutes Annotated, as amended, provides that no bonds of the Agency may be issued to acquire or construct any facilities unless the Agency first certifies to the Governor of the State of Vermont that in its opinion such facilities are needed and will provide adequate revenue derived from rents or otherwise to repay such bonds and the interest thereon when due; and

WHEREAS, the Board has considered pertinent information, data and material respecting the need for and the feasibility and desirability of issuing the Bonds; and

WHEREAS, the Board has examined the financial records of the College relating to its ability to make payments under the Loan Agreement mentioned in said resolution to repay the Bonds and the interest thereon when due; and

WHEREAS, Section 147(f) of the Internal Revenue Code of 1986, as amended (the “Code”), provides that, under such circumstances, approval of an “applicable elected representative” following a duly noticed public hearing must be obtained prior to the issuance of obligations such as the Bonds if such obligations are to be treated as qualified bonds for purposes of the Code; and

WHEREAS, the Agency conducted a duly noticed public hearing on May \_\_, 2020;

WHEREAS, the Governor is, for purposes of the Code, the “applicable elected representative” for purposes of Section 147(f)(2)(C) of the Code; and

WHEREAS, there has been prepared and submitted to the Board a form of certification to the Governor required under the Code; and

WHEREAS, the Board has examined and considered said form of certification;

NOW, THEREFORE;

BE IT RESOLVED, by the Board of Vermont Educational and Health Buildings Financing Agency that the certification in connection with the issuance of Vermont Educational and Health Buildings Financing Agency Revenue Bonds (Middlebury College Project) Series 2020, in an aggregate principal amount not to exceed \$110,000,000 is hereby approved in substantially the form presented to this meeting, with such changes, insertions and omissions as may be approved by the Chairman, Treasurer, Secretary or Executive Director of the Agency, his signing of such certification to be conclusive evidence of his approval of any such changes, insertions and omissions, and said Chairman, Treasurer, Secretary or Executive Director is hereby authorized and directed to sign said certification in the name of and on behalf of the Agency and to deliver or cause to be delivered said certification to the Governor of the State of Vermont.

\_\_\_\_\_, 2020

Honorable Philip Scott  
Governor, State of Vermont  
Pavilion Office Building  
109 State Street  
Montpelier, VT 05602

Re: NOT TO EXCEED \$110,000,000 VERMONT EDUCATIONAL AND HEALTH  
BUILDINGS FINANCING AGENCY REVENUE BONDS  
(MIDDLEBURY COLLEGE PROJECT) SERIES 2020

Dear Governor Scott:

Vermont Educational and Health Buildings Financing Agency proposes to issue one or more series of its Revenue Bonds (Middlebury College Project) Series 2020 (the “Bonds”), on behalf of The President and Fellows of Middlebury College (the “College”), a private, nonprofit corporation incorporated and existing under the laws of the State of Vermont, and an eligible institution within the meaning of said term as defined in Section 3851 of Title 16, Vermont Statutes Annotated, as amended, to provide funds to the College for the purpose of (i) refunding the Agency’s outstanding Revenue Refunding Bonds (Middlebury College Project) Series 2010, (ii) paying, or reimbursing the College for paying, all or a portion of the cost of the renovation of Warner Hall, including, but not limited to, the installation of an elevator, new mechanical and fire protection systems, upgraded restrooms and other accessibility items, new windows, interior finishes, and classroom technology, as well as the cost of certain other capital projects relating to the College’s capital facilities, including, but not limited to, the renovation of Dana Auditorium (the “Project”) and (iii) paying, or reimbursing the College for paying, certain costs incurred in connection with the issuance of the Bonds.

The Agency proposes to enter into a Loan Agreement with the College providing for the loan of the proceeds of the Bonds to the College, which Loan Agreement requires the College, among other things, to make payments sufficient to pay the principal of and premium, if any, and interest on the Bonds as the same becomes due and payable. The College will bear all costs incurred in connection with, and will pay certain costs and expenses of the Agency relating to, the Project.

Further, the Agency has accepted the proposal of Goldman Sachs & Co. LLC, as representative of the underwriters (the “Underwriters”), which Underwriters have been selected by the College, to purchase the Bonds.

Based on the foregoing and, among other things, the proposal of Underwriters, to purchase the Bonds, in compliance with the provisions of Section 3856 of Title 16, Vermont Statutes Annotated, as amended, the Agency hereby certifies that it has conducted a duly noticed public hearing in accordance with Section 147(f) of the Internal Revenue Code of 1986, as amended, the Project is needed and the College will generate sufficient revenues from all operations to meet its obligations under the Loan Agreement in order to repay the Bonds and the interest thereon when due.

Vermont Educational and Health  
Buildings Financing Agency

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Executive Director