

Minutes of the New Jersey Health Care Facilities Financing Authority meeting held on June 26, 2014 on the fourth floor of Building #4, Station Plaza, 22 South Clinton Avenue, Trenton, NJ.

*The following **Authority Members** were in attendance:*

Elisa Charters, Public Member (Chairing); Dr. Munr Kazmir, Public Member; Greg Lovell, Designee of the Commissioner of Human Services; and via telephone: Brian O'Neill, Designee of the Commissioner of Health; Mary Ann Kralik, Designee of the Commissioner of Banking & Insurance; and Suzette Rodriguez, Public Member.

*The following **Authority staff members** were in attendance:*

Mark Hopkins, Steve Fillebrown, Ron Marmelstein, Suzanne Walton, Michael Ittleson, Carole Conover, Carl MacDonald, Bill McLaughlin, Debra Coons, Paige Piotrowski, Taryn Jauss, Jessica Lucas, Diane Johnson, Edwin Fuentes and Marji McAvoy.

*The following **representatives from the State and/or the public** were in attendance:*

Cliff Rones, Attorney General's Office; Peter Simon and Adam Tamcoke, Governor's Authorities Unit; Michael Judge, BNY Mellon Bank; and Dr. James T. Kostinas of David Kostinas & Associates.

CALL TO ORDER

Vice Chair Elisa Charters called the meeting to order at 10:10 a.m. and announced that this was a regular meeting of the Authority, held in accordance with the schedule adopted at the May 22, 2014 Authority meeting. Complying with the Open Public Meetings Act and the Authority's By-laws, notice of this meeting was delivered to all newspapers with mailboxes at the Statehouse, including *The Star-Ledger* and the *Courier Post*, enough in advance to permit the publication of an announcement at least 48 hours before the meeting.

1. APPROVAL OF MINUTES **May 22, 2014 Authority Meeting**

Minutes from the Authority's May 22, 2014 meeting were presented for approval. Dr. Kazmir offered a motion to approve the minutes; Mr. Lovell seconded. The vote was unanimous and the motion carried.

2. NEGOTIATED PRIVATE PLACEMENT **AtlantiCare Health System**

Mr. Mark Hopkins informed the Members that AtlantiCare Regional Medical Center ("AtlantiCare") has signed a Memorandum of Understanding with the Authority to undertake a tax-exempt financing of approximately \$60 million, the proceeds of which will be used for the construction of a two story addition at the Mainland location as well as certain renovations to the facility.

AtlantiCare Health System ("the System") is the sole member of AtlantiCare which operates two hospitals – one located in Atlantic City (the City Campus) and the other in Pomona (Mainland campus). AtlantiCare offers health care services to the residents of Atlantic, Cape May,

Cumberland and southern Ocean Counties in southeastern New Jersey. The Atlantic City campus provides the region's only Level II Trauma Center; a regional psychiatric crisis center; a comprehensive center for surgical weight loss; and a complete array of inpatient and ambulatory healthcare services, including obstetrics and gynecology. The Mainland Campus offers specialized services in cardiac care, including cardiac bypass and cardiac catheterization; orthopedics, neonatal intensive care, as well as a new birthing center and a state of the art emergency department.

AtlantiCare has actively utilized the services of the Authority, having completed twelve financings with an aggregate principal amount exceeding \$723 million (ten bond deals; two CAP loans). Most recently, AtlantiCare executed two private placements during 2012. The \$39.3 million Series 2012A was completed in January while the \$41.8 million Series 2012B was completed during April. Currently, AtlantiCare has approximately \$180 million of Authority issued debt outstanding.

Annual audited financial statements for 2013 indicate that AtlantiCare had an excess of revenues over expenses of \$51.7 million compared to \$36.9 million for the same period of 2012. Excluding bassinets, AtlantiCare has 571 licensed beds and employs over 3000 people. AtlantiCare is currently rated "A1/A+/A+" from Moody's, S&P and Fitch respectively. For year-end 2013, AtlantiCare had over 291 days cash on hand, an operating margin of 4.83% and debt service coverage of 6.60 times.

AtlantiCare has asked that the Authority permit the use of a negotiated sale based on: Volatile market conditions. This reason is considered under the Authority's policy regarding Executive Order #26, to be a justification for the use of a negotiated sale.

Also, in accordance with Authority policy, a Borrower requesting a private placement must justify its rationale for this request. AtlantiCare has conducted a financial analysis to determine whether to proceed with a private placement or a public offering. Based upon its analysis, a private placement would: (i) result in \$5.2 million of present value savings versus a similarly structured public transaction; and (ii) provide the appropriate transactional flexibility necessary to facilitate AtlantiCare's pending merger with Geisinger Health System.

Mr. Hopkins recommended the consideration of the resolution included in the meeting materials sent to the Members, approving the use of a private placement form of negotiated sale and the forwarding a copy of the justification in support of said resolution to the State Treasurer.

Ms. Charters asked the Members' pleasure with respect to the adoption of the Resolution supporting the issuance of revenue bonds by negotiated private placement on behalf of AtlantiCare Health System. Dr. Kazmir offered a motion to adopt the resolution; Mr. Lovell seconded. The vote was unanimous and the motion carried.

AB RESOLUTION NO. OO-01

NOW, THEREFORE, BE IT RESOLVED, that the Authority hereby adopts the resolution entitled "RESOLUTION OF INTENT

TO ISSUE REVENUE BONDS BY PRIVATE PLACEMENT TRANSACTION PURSUANT TO EXECUTIVE ORDER NO. 26.”

(attached)

3. ASSIGNMENT OF CO-MANAGERS **Robert Wood Johnson University Hospital**

Ms. Suzanne Walton informed the Members that Staff is currently working on tax-exempt financing on behalf of Robert Wood Johnson University Hospital to finance the acquisition costs associated with the recent merger of Robert Wood Johnson University Hospital and Somerset Medical Center. Proceeds of the Series 2014 Bonds will be used to refinance a bridge loan incurred by RWJUH to defease Somerset’s 2003 (fixed) and 2008 (variable) rate bonds and payoff other existing debt. The proposed transaction will be comprised of two series of bonds, a fixed rate component totaling approximately \$60 million and a variable rate component totaling approximately \$30 million. Staff anticipates coming before the Board next month for contingent sale approval.

Last month the Members were notified that RWJUH had completed a competitive process and selected J.P Morgan to serve as their senior managing underwriter. In addition, RWJUH has asked the Authority to consider the appointment of PNC Capital Markets as a co-manager based on their current banking relationships as well as PNC’s underwriting activity and access to retail distribution channels. Given the size and structure of this transaction, Staff is recommending the appointment of two co-managers on the fixed rate series of bonds. Staff supports RWJUH’s request to add PNC Capital Markets to the management team and further recommends the appointment of Loop Capital. Loop Capital is a minority-controlled, full-service investment banking firm headquartered in Chicago with offices in 24 cities, and they have performed favorably as a co-manager on past transactions. JPMorgan will serve as the sole underwriter on the variable rate series of bonds.

Therefore, she asked for the Members’ consideration of adding PNC Capital Markets, Inc. and Loop Capital as co-managers to the Robert Wood Johnson University Hospital transaction.

Dr. Kazmir made a motion to approve the appointment of PNC Capital Markets, Inc. and Loop Capital as co-managers for Robert Wood Johnson University Hospital transaction. Mr. Lovell seconded the motion. Mr. O’Neill, Ms. Kralik, Mr. Lovell, Dr. Kazmir and Ms. Rodriguez voted yes, and Ms. Charters abstained. The motion carried.

AB RESOLUTION NO. OO-02

NOW, THEREFORE, BE IT RESOLVED, that the Authority hereby approves the appointment of PNC Capital Markets, Inc. and Loop Capital as co-managers for the Robert Wood Johnson University Hospital transaction.

4. DEPARTMENT OF HEALTH MOA FOR FINANCIAL DATABASE MAINTENANCE AND DATA ANALYSIS

Mr. Hopkins informed the Members that the New Jersey Health Care Facilities Financing Authority has a Memorandum of Agreement with the Department of Health for Quarterly Financial Database Maintenance and Data Analysis (the "MOA") which expired on December 31, 2013. The Department of Health requested that the Authority extend the term of the MOA through June 30, 2014. The Members approved that extension, in the form of a Second Modification to the MOA, at the February Authority Meeting. The Department has now asked that the MOA be extended through December 31, 2014.

Additionally, the Department of Health has requested that the Authority continue its expanded role under the MOA, established in September of 2012 by a First Modification to the MOA, which includes assessing the financial conditions of hospitals and other health care organizations; providing consultation to Department on policy, capacity, consolidation and change in ownership of health care facilities for purposes of reviewing Certificate of Need applications and other health care planning decisions; and providing support for the Department's Early Warning System, Stabilization Fund and Charity Care Programs.

In order to meet some of the additional duties under the MOA and the First Modification, the Authority engaged Joseph Lario as a consultant on a part-time basis, pursuant to a "Contract for Professional Consulting Services" after a Request for Proposals was advertised and a competitive process was conducted. The consultant averages approximately 25 to 28 hours per week. The fee for his services is \$600 per day not to exceed \$9,000 per month, plus travel, meal and lodging expenses. The term of the consultant's original engagement was for one year with the possibility of up to four six-month extensions. The initial term of the engagement was scheduled to expire on September 14, 2013 but, at the request of the Department of Health, the Authority extended it three times, ultimately through June 30, 2014 pursuant to: (i) the Amendment Extending the Contract for Professional Consulting Services dated as of September 15, 2013 (the "First Amendment"), (ii) the Second Amendment Extending the Contract for Professional Consulting Services dated as of January 1, 2014 (the "Second Amendment"); and the Third Amendment Extending the Contract for Professional Consulting Services dated as of April 1, 2014 (the "Third Amendment").

When the Department of Health originally requested the Second Modification of the MOA, a Second Amendment Extending the Contract for Professional Consulting Services was prepared and was approved by the Authority Members at the Authority's January meeting extending the consultant's contract through March 31, 2014. In order to be consistent with the revised term of the Second Modification of the MOA, a Third Amendment Extending the Contract for Professional Consulting Services was approved to extend the contract with the consultant through June 30, 2014.

Based on this information, the Authority Staff is requesting that the Authority Members act on each of the following items:

1. Approval of a Third Modification of the Memorandum of Agreement for Quarterly Financial Database Maintenance and Data Analysis between the Authority and the Department of Health extending the MOA through December 31, 2014;
2. Approval of the “Fourth Amendment Extending the Contract for Professional Services” extending the contract through December 31, 2014. All other terms will remain the same; and
3. Approval of an amendment to the Authority’s 2014 Budget by increasing the budget by an additional \$66,000 to reflect up to \$54,000 in additional consultant fees and up to \$12,000 additional travel, meal and lodging expenses resulting from the extension of the consulting contract through December 31, 2014. This expense line appears below the bottom line of the budget because it will ultimately be offset by reimbursement from the Department.

Ms. Charters commented on the number of extensions with regard to the Consultant’s Contract and asked at what point does another Request for Proposal have to be done. Mr. Hopkins responded that the Contract allows for four, six-month extensions, and this would be the final extension under the contract and noted that if the services of a consultant are needed going forward, the Department of Health would be taking over the contract at which time they would probably issue a Request for Proposal.

a. Modification of MOA

Dr. Kazmir made a motion to approve the third modification of the MOA with the Department of Health to extend through December 31, 2014. Mr. Lovell seconded the motion. The vote was unanimous and the motion carried.

AB RESOLUTION NO. OO-03

NOW, THEREFORE, BE IT RESOLVED, that the Authority hereby approves the third modification of the MOA with the Department of Health to extend through December 31, 2014.

b. Extension of Consultant’s Contract

Dr. Kazmir made a motion to approve the extension of the consultant’s contract for the Early Warning System through December 31, 2014. Mr. Lovell seconded the motion. The vote was unanimous and the motion carried.

AB RESOLUTION NO. OO-04

NOW, THEREFORE, BE IT RESOLVED, that the Authority hereby approves the extension of the consultant’s contract for the Early Warning System through December 31, 2014.

c. Budget Amendment - Consulting Services

Dr. Kazmir made a motion to increase the Consulting Services line item of the 2014 Authority Budget in the amount of \$66,000. Mr. Lovell seconded the motion. The vote was unanimous and the motion carried.

AB RESOLUTION NO. 00-05

NOW, THEREFORE, BE IT RESOLVED, that the Authority hereby approves the increase of the Consulting Services line item of the 2014 Authority Budget in the amount of \$66,000.

5. NEWARK AREA STUDY

a. Consultant Contract

Mr. Fillebrown informed Members that at the May Authority meeting, Members authorized the distribution of an RFP to determine whether there is duplication of services and unused capacity in the Newark service area. The purpose is to identify opportunities for consolidation or regionalization of services if there is duplication or overcapacity and expansion of services if there is a lack of necessary services.

The RFP was distributed to firms on the Authority's Hospital Workout List, posted on the State of New Jersey Business Opportunities website and posted on the Authority's website. Six (6) responses were received by the June 17th deadline.

Mr. Fillebrown reported that the RFPs were reviewed by a team of two Authority staff members and one Department of Health staff person based on the criteria outlined in the RFP which included:

1. Experience in health planning issues;
2. Demonstrated knowledge of issues and policies affecting hospitals' financial performance;
3. Demonstrated knowledge of and experience in working with health care data sources;
4. Demonstrated knowledge of applicable state and federal laws, rules and regulations applicable to health planning;
5. Ability to complete the engagement by November 15, 2014; and
6. Price.

Based on that review, Staff recommended the selection of Navigant Consulting, Inc. at a fee of \$778,500 plus expenses estimated at \$107,825.

Staff asked Members to approve the selection of Navigant for the consulting engagement and to authorize the Executive Director to execute a contract between Navigant and the Authority. Staff also asked for an amendment to the budget of \$886,325 to pay for the engagement and related expenses.

Ms. Charters questioned if Navigant Consulting has experience working in urban areas to which Mr. Fillebrown responded that Navigant Consulting did a similar study for the Authority for the Hudson County area, specifically Hoboken, Jersey City, and Bayonne. The study was very much the same, and the principals are the same. Ms. Charters asked whether the principals have any affiliation with any of the hospitals covered in the study to which Mr. Fillebrown responded that the RFP stated that any firm that has done significant work at any of the hospitals in the last five years would be considered conflicted out of the engagement. He further noted that several firms were not able to respond because of this exclusion.

Mr. O'Neill moved to approve the selection of Navigant Consulting, Inc. to review the provision of health care services provided in the Newark area and to authorize the Executive Director to execute the contract between Navigant and the Authority. Dr. Kazmir seconded. The vote was unanimous and the motion carried.

AB RESOLUTION NO. OO-06

NOW, THEREFORE, BE IT RESOLVED, that the Authority hereby approves the selection of Navigant Consulting, Inc. to review the provision of health care services provided in the Newark area and authorizes the Executive Director to execute the contract between Navigant and the Authority.

b. Budget Amendment

Ms. Charters informed the Members that based on the action just taken, it was necessary to amend the 2014 Budget.

Dr. Kazmir made a motion to add a line item to the 2014 Authority Budget in the amount of \$886,325 for the consultant to review Newark area health care services. Mr. Lovell seconded the motion. The vote was unanimous and the motion carried.

AB RESOLUTION NO. OO-07

NOW, THEREFORE, BE IT RESOLVED, that the Authority hereby adds a line item to the 2014 Authority Budget in the amount of \$886,325 for the consultant to review Newark area health care services.

6. EXTENSION OF FINANCIAL PRINTING CONTRACT

Michael Ittleson reported that the second one-year extension of the Authority's printing contract with McElwee & Quinn for the printing of Preliminary and Final Official statements and other related documents expires on October 31. The contract had initially been awarded after an RFP in the summer of 2010. The contract allows for three additional one-year extensions at the option of the Authority at the original terms and conditions. The Members had approved the first extension at its meeting on June 28, 2012 and the second extension was approved at its meeting on June 27, 2013. Staff has been pleased with the quality and timeliness of their work and therefore, is asking the Members' consideration in appointing McElwee & Quinn to the third and final one-year extension for the period November 1, 2014 through October 31, 2015.

Dr. Kazmir made a motion that the Authority appoint McElwee & Quinn to the third and final one-year extension allowed under the printing service contract, for the period of November 1, 2014 through October 31, 2015. Mr. Lovell seconded. The vote was unanimous and the motion carried.

AB RESOLUTION NO. OO-08

NOW, THEREFORE, BE IT RESOLVED, that the Authority hereby approves the third and final one-year extension allowed under the contract with McElwee & Quinn for printing services for the period of November 1, 2014 through October 31, 2015.

7. APPROVAL OF EXPENSES

Ms. Charters referenced a summary of Authority expenses and invoices. Dr. Kazmir offered a motion to approve the bills and to authorize their payment; Ms. Rodriguez seconded. The vote was unanimous, and the motion carried.

AB RESOLUTION NO. OO-09

WHEREAS, the members of the Authority have reviewed the memoranda dated June 18, 2014, summarizing expenses incurred by the Authority in connection with Trustee/Escrow Agent/Paying Agent fees and general operating expenses in the amounts of \$71,171.00 and \$18,688.04 respectively, and have found such expenses to be appropriate;

NOW, THEREFORE, BE IT RESOLVED, that the members of the Authority hereby approve all expenses as submitted, and authorize the execution of checks representing the payment thereof.

8. STAFF REPORTS

Ms. Charters thanked Staff for the Project Development Summary, Cash Flow Statement and Legislative Advisory reports.

Mr. Hopkins then presented his Executive Director's report, noting the following items to Members:

1. The Department of Health is unveiling its newly redesigned website this morning, which features improved navigation and focuses on our State Health Improvement Plan, Healthy New Jersey 2020. It is intended to make the Department more transparent, promote public health and make it easier for stakeholders to access information. A new interactive feature on the Healthy New Jersey 2020 webpage provides the latest data-including race and ethnicity--on how the state is meeting various health objectives. Other features include a list of key DOH registries accessible from one location including the autism registry, birth defects registry, the cancer registry and the immunization registry

2. NJ Hospital & Health Care Organization News

a. The proposed sale of St. Mary's to Prime Healthcare Services received approval of the Certificate of Need from the Commissioner of Health on June 13th. A court is tentatively scheduled to determine if it meets the requirements of the Community Health Assets Protection Act ("CHAPA") on July 23rd. St. Mary's and Prime are hoping to complete the transaction in mid-August.

b. The CN and CHAPA applications for the sale of St. Michael's Medical Center to Prime Healthcare Services have not yet been declared complete. Therefore those regulatory processes have not begun the regulatory timeline.

c. The Ridgewood Planning Board has denied a revised village plan proposed by Valley Hospital to permit its expansion through construction on its existing site that would nearly double its square footage. Valley has submitted several plans and revisions for expansion over the last eight years, all of which met with considerable opposition from the community and eventually failed. It is unclear whether Valley will appeal or seek other alternatives for expansion.

d. Jersey City Medical Center officially became part of Barnabas Health early this month, shortly after the partnership, announced last year, received all necessary regulatory approvals.

e. Somerset Medical Center has completed its merger with Robert Wood Johnson University Hospital, after receiving regulatory approvals.

f. East Orange General Hospital has entered into an agreement to be acquired by Prospect Medical Holdings, a for-profit hospital system based in California with hospitals in Texas as well. The transaction will be subject to State regulatory approvals including Certificate of Need and CHAPA.

g. Fitch has affirmed the BBB rating on \$47.6 million of bonds issued by the Authority on behalf of Palisades Medical Center. The rating outlook is stable.

h. University Hospital's trauma center will be featured on a new ABC series, NY Med, starting tonight at 10:00 p.m. and running for eight weeks every Thursday. New York Presbyterian Hospital will also be featured on the show, which was shot over the last two years.

i. The number of people without health insurance in New Jersey has fallen to the lowest level since 1990. The drop is largely attributable to the Affordable Care Act and does not even include the surge in enrollment that occurred after March. An estimated 430,000 gained insurance coverage between open enrollment in October of 2013 and March of this year.

j. The State has made significant progress in electronically linking patient health records, thanks in large part to an \$11.4 million federal health information technology grant administered by the Authority on behalf of the State and the expected completion by the end of the year of the New Jersey Health Information Network which will link all the regional health information networks. The sharing of medical information over the network is expected to speed treatment, lower costs and improve outcomes.

k. Several other articles are being provided today; including awards received by New Jersey hospitals, changes resulting from the affordable care act and improved price transparency of municipal bonds through MSRB's new price discovery tool.

3. Authority News

a. Linda Hughes, the Authority's Communications Specialist, left the Authority June 19th to start a new position in communications and marketing at Bayada, a leading provider of home health services. Linda started at the Authority in July of 2011. She did a great job here at the Authority and we wish her well in her future endeavors. Interviews will begin next week for her replacement.

b. Arvella King, who we all know as Archie, is retiring from her position as Assistant Director of the Division of Research, Investor Relations and Compliance in July. She started at the Authority in June of 2009 and plans to move back to her native Texas shortly to be near to one of her two sons and his wife who are expecting a new baby in July. Archie worked closely with Steve in growing the responsibilities of the Division and dealing with new IRS and SEC regulations and initiatives. Archie was also instrumental and sometimes heroic in helping with the HIT Grant administration. She will be sorely missed.

c. The Authority's quarterly report on key financial hospital metrics, the Apollo Report, will begin to be distributed electronically. The report is sent to hospitals and includes the hospital's own key metrics along with state-wide and peer group medians. By distributing the report electronically hospitals will receive the reports more quickly and the Authority will save money. Steve Fillebrown and his team are to be congratulated for this initiative.

As there was no further business to be addressed, following a motion by Dr. Kazmir and a second by Mr. Lovell, the Members voted unanimously to adjourn the meeting at 10:40 a.m.

I HEREBY CERTIFY THAT THE FOREGOING
IS A TRUE COPY OF MINUTES OF THE NEW
JERSEY HEALTH CARE FACILITIES
FINANCING AUTHORITY MEETING HELD
JUNE 26, 2014.



Carole A. Conover, Assistant Secretary

AB RESOLUTION NO. 00-01

**RESOLUTION OF INTENT TO ISSUE REVENUE BONDS BY
PRIVATE PLACEMENT TRANSACTION PURSUANT TO
EXECUTIVE ORDER NO. 26**

AtlantiCare Health System

WHEREAS, the New Jersey Health Care Facilities Financing Authority (the "Authority") was duly created and now exists under the New Jersey Health Care Facilities Financing Authority Law, P.L. 1972, c. 29, N.J.S.A. 26:2I-1 et seq., as amended (the "Act"), for the purpose of ensuring that all health care organizations have access to financial resources to improve the health and welfare of the citizens of the State; and,

WHEREAS, the Authority issues its bonds from time to time for the achievement of its authorized purposes; and

WHEREAS, on October 25, 1994, the Governor issued Executive Order No. 26 which sets forth procedures by which an issuer may determine the method of sale of bonds or notes; and,

WHEREAS, on December 8, 1994, the Authority adopted Section 2 of its policy which was developed to implement Executive Order No. 26, which requires an Authority resolution to pursue a negotiated sale of bonds; and,

WHEREAS, on March 28, 1996, the Authority amended its policy related to Executive Order No. 26; and,

WHEREAS, the Authority's policy states that a negotiated sale of bonds will be conducted if it is determined by the Authority that it would better serve the requirements of a particular financing; and,

WHEREAS, a negotiated transaction would be permitted in circumstances including, but not limited to, the sale of bonds for a complex or poor credit; the development of a complex financing structure, including those transactions that involve the simultaneous sale of more than one series with each series structured differently; volatile market conditions; large issue size; programs or financial techniques that are new to investors; or, for variable rate transactions; and,

WHEREAS, AtlantiCare Health System has entered into a Memorandum of Understanding with the Authority to pursue a revenue bond financing (the "Financing"); and,

WHEREAS, AtlantiCare Health System has requested that the Authority consider approving the pursuit of a negotiated sale; and,

WHEREAS, market conditions could be considered volatile; and,

WHEREAS, AtlantiCare Health System has requested consideration of a determination that a negotiated private placement sale is the appropriate method of financing; and,

WHEREAS, the Authority's policy states that a private placement would be permitted if, on an analysis by the borrower, a private placement would be more beneficial to the borrower than a public sale, and the borrower provides, in writing, the reasons for the use of a private placement; and,

WHEREAS, AtlantiCare Health System provided justification that a private placement would: (i) reduce costs of issuance; (ii) expedite the issuance of the bonds to capture the current favorable interest rate market; (iii) generate net present value savings of approximately \$4.6 million compared to publicly issued bonds; and (iv) provide the appropriate flexibility pending AtlantiCare's merger with Geisinger Health System; and,

WHEREAS, the Authority is desirous of being responsive to AtlantiCare Health System's request; and,

WHEREAS, the aforementioned resolution and justification in support of such resolution must be filed, within five days of its adoption, with the State Treasurer;

NOW, THEREFORE, BE IT RESOLVED, that, based upon the above findings, the Authority hereby determines that it would better serve the requirements of this Financing to conduct a negotiated sale; and,

BE IT FURTHER RESOLVED, that the Executive Director is hereby directed and authorized to transmit a copy of this Resolution and justification in support of such resolution to the State Treasurer.