

ERIE COUNTY MEDICAL CENTER CORPORATION

MINUTES OF THE SPECIAL MEETING
OF THE BOARD OF DIRECTORS

THURSDAY, OCTOBER 13, 2016

STAFF DINING ROOM/CONFERENCE CALL

| | | |
|---|--|---|
| Voting Board Members Present: | Bishop Michael Badger Douglas H. Baker Ronald Bennett Ronald Chapin Kevin Cichocki, D.C. Jonathan Dandes Darby Fishkin | Sharon L. Hanson Michael Hoffert Kevin M. Hogan, Esq Anthony Iacono Thomas P. Malecki, CPA Frank Mesiah Michael A. Seaman |
| Voting Board Member Excused: | Kathleen Grimm, M.D. | |
| Non-Voting Board Representatives Present: | Thomas Quatroche Ph.D. James Lawicki | Kevin Pranicoff, M.D. |
| Also Present: | A.J. Colucci, III, Esq. Andy Davis Stephen Gary | |

I. CALL TO ORDER

Chair Sharon L. Hanson called the meeting to order at 8:05A.M.

II. ROLL CALL OF ATTENDANCE:

A roll call was taken and a quorum was found to be present.

III. RECESS TO EXECUTIVE SESSION – MATTERS MADE CONFIDENTIAL BY LAW

Moved by Ronald Bennett and seconded by Michael Seaman to enter into Executive Session at 8:10A.M. to consider the contemplated transaction with the County of Erie, including negotiation strategy and how pursuing or not pursuing the transaction may impact strategic operations and business alliances.

Motion approved unanimously

IV. RECONVENE IN OPEN SESSION

Moved by Ronald Bennett and seconded by Anthony Iacono to reconvene in Open Session at 8:15 A.M. No action was taken by the Board in Executive Session.

Motion approved unanimously.

ERIE COUNTY MEDICAL CENTER CORPORATION

V. ACTION ITEMS

A. Resolution Requesting Loans From County of Erie to Finance ECMCC Capital Borrowing and 2011 Loan Refinancing.

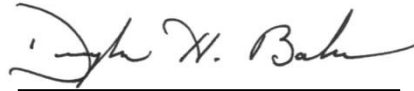
Moved by Ronald Bennett and seconded by Douglas Baker.

Motion approved unanimously.

Thomas Malecki abstained due his relationship with the County of Erie

VI. ADJOURNMENT

Moved by Ronald Bennett and seconded by Douglas Baker to adjourn the Board of Directors meeting at 8:15A.M.



Douglas H. Baker
Corporation Secretary

**Resolution Requesting Loans From County of Erie to Finance
ECMCC Capital Borrowing and 2011 Loan Refinancing.**

Approved October 13, 2016

WHEREAS, the Corporation is authorized by section 3630 of the New York Public Authorities Law to borrow funds to continue its mission to provide access to high quality health care services to the citizens of Western New York; and

WHEREAS, the Corporation has identified certain capital funding needs in order to continue to serve the citizens of Western New York, including a new Emergency Department and Trauma Center facility, emergency generators, heating/ventilating/air conditioning equipment, improvements to the building envelope, nursing unit renovations, clinic renovations, and an education center; and

WHEREAS, the Corporation also desires to refinance existing debt, particularly the 2011C Revenue Bonds that were issued by the Erie County Fiscal Stability Authority to finance the related loan by the County to the Corporation which funded the construction of Terrace View Long Term Care Facility; and

WHEREAS, the Board of Directors of the Corporation previously authorized the Corporation's officers to negotiate with the County of Erie to determine the terms and conditions under which a borrowing by the Corporation from the County for the above purposes may be structured;

NOW, THEREFORE, the Board of Directors resolves as follows:

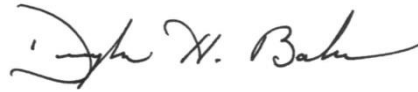
1. The Corporation is in need of financing for new money projects to maintain the quality of, and access to, its health care services for the citizens of Western New York and also to refinance the 2011 County loan and convert that loan to a thirty (30) year term at lower current interest rates.
2. The Corporation acknowledges that the interest cost of borrowing by the County of Erie is more favorable than the interest rate that would be charged to the Corporation without the County's assistance and that assistance from the County will save the Corporation many millions of dollars at present value.
3. The Corporation formally requests that the County provide financial assistance through the issuance of up to \$100 million in County bonds to provide new money financing for the capital projects noted on the attached exhibit with such bonds having a term of thirty (30) years.

ERIE COUNTY MEDICAL CENTER CORPORATION

4. The Corporation formally requests that the County provide financial assistance through the issuance of up to \$88 million of County bonds with a maximum term of up to thirty (30) years to refinance the 2011 loan from the County to the Corporation with the proceeds of such bonds being used to defease the 2011 ECFSA bonds and thereby substitute lower interest cost County debt for the currently outstanding 2011 ECFSA project financing.

5. That the officers of the Corporation remain authorized to continue their work negotiating the terms and conditions of these transactions, to cooperate in providing all information requested by the County to induce the County to provide the requested financial assistance, and to otherwise obtain all necessary approvals of these transactions by the Erie County Legislature, the New York State Department of Health and any other governmental entities.

6. This resolution shall take effect immediately.



Douglas H. Baker
Corporation Secretary