

**RHODE ISLAND HEALTH AND EDUCATIONAL
BUILDING CORPORATION**

MEETING OF THE BOARD OF DIRECTORS

April 21, 2005

A Meeting of the Board of Directors of the Rhode Island Health and Educational Building Corporation was held on **Thursday, April 21, 2005 at 5:30 p.m.**, at the Corporation's office, 170 Westminster Street, Suite 1200, Providence, RI 02903.

Directors present: James Salome, Chairman; Ralph Ezovski, Vice Chairman; John Bentz, Treasurer and Douglas Jeffrey, Assistant Treasurer.

Also present: Robert E. Donovan, the Corporation's Executive Director; Scott P. O'Malley, Chief Financial Officer; June Matte from Public Financial Management, Inc., Maureen Gurhigan, from First Southwest Co., Liz Schramek from Advest, Inc., the Corporation's Financial Advisors; Karen Grande, Esq., from Tillinghast Licht LLP; Normand Benoit, Esq., from Partridge, Snow & Hahn; James McGuirk, Esq., from Edwards and Angell, the Corporation's Bond Counsel; and Tony Afonso, Esq., the Corporation's Legal Counsel.

1. APPROVAL OF THE MINUTES FROM MARCH 10, 2005

It was unanimously voted, upon motion of Mr. Bentz, seconded by Mr. Ezovski to approve the Public Session Minutes of the Regular Meeting of March 10, 2005.

2. REVIEW THE EXECUTIVE DIRECTOR'S REPORT

A) Request from Johnson & Wales University

Mr. Donovan reviewed a request from Johnson & Wales University to have RIHEBC consent to several changes of the Loan & Trust Agreement regarding insurance and property. The bond insurers, MBIA and XL Capital Assurance and Ambac Assurance have approved the changes. Based on approval by insurers, it was unanimously voted, upon motion of Mr. Bentz, seconded by Mr. Ezovski to consent to the changes requested by Johnson & Wales University.

B) Request from Edwards & Angell

Mr. Donovan reviewed the letter from Edward & Angell requesting a waiver to the bond counsel limit for the Catholic School Pool issue. Due to the complexity of providing five schools with financing in one issue, the cost associated with the

transaction exceeded the limit. If approved however the cost per school is less than if they had done individual issues. It was unanimously voted, upon motion of Mr. Jeffrey, seconded by Mr. Ezovski to approve the waiver of bond counsel limit for the Catholic School Pool.

3. TO REVIEW THE FINANCIAL ADVISORS REPORT

Ms. Schramek reported on the sale of the bonds for the Board of Governors recent bond sale.

Ms. Gurghigan updated the Board on the proposed bond issues for the Catholic School issue and the Meeting Street School issues.

4. TO ACCEPT AN APPLICATION FROM BROWN UNIVERSITY AND ASSIGN A FINANCIAL ADVISOR AND BOND COUNSEL AND TO AUTHORIZE REQUEST FOR PROPOSALS FOR OTHER SERVICES

Mr. Donovan stated that the Corporation has received an application from Brown University up to \$110 million bond issue. The bond will be used to finance construction, renovations and possibly refund a prior bond issue. It was unanimously voted, upon motion of Mr. Ezovski, seconded by Mr. Bentz to accept the application from Brown University.

Mr. Donovan requested that the Board appoint Public Financial Management as financial advisors for Brown University. It was unanimously voted, upon motion of Mr. Jeffrey, seconded by Mr. Bentz to appoint Public Financial Management as financial advisors for the Brown University bond issue.

Mr. Donovan requested that the Board appoint Tillinghast Licht as bond counsel for the Brown University. It was unanimously voted, upon motion of Mr. Ezovski, seconded by Mr. Jeffrey to appoint Tillinghast Licht as bond counsel for the Brown University bond issue.

5. TO ACCEPT AN APPLICATION FROM BRYANT UNIVERSITY AND ASSIGN A FINANCIAL ADVISOR AND BOND COUNSEL AND TO AUTHORIZE REQUEST FOR PROPOSALS FOR OTHER SERVICES

Mr. Donovan stated that the Corporation has received an application from Bryant University for a \$30 million bond issue. The bond will be used to finance construction, renovations and bond issuance costs. It was unanimously voted, upon motion of Mr. Jeffrey, seconded by Mr. Bentz to accept the application from Bryant University.

Mr. Donovan requested that the Board appoint First Southwest as financial advisors for Bryant University. It was unanimously voted, upon motion of Mr. Ezovski, seconded

by Mr. Jeffrey to appoint First Southwest as financial advisors for the Bryant University bond issue.

Mr. Donovan requested that the Board appoint Edwards & Angell as bond counsel for the Bryant University. It was unanimously voted, upon motion of Mr. Bentz, seconded by Mr. Ezovski to appoint Edwards & Angell as bond counsel for the Bryant University bond issue.

6. TO ACCEPT AN APPLICATION FROM THE BOARD OF GOVERNORS AND ASSIGN A FINANCIAL ADVISOR AND BOND COUNSEL AND TO AUTHORIZE REQUEST FOR PROPOSALS FOR OTHER SERVICES

Mr. Donovan stated that the Corporation has received an application from the Board of Governors \$30 million bond issue. The bond will be used to finance construction of a two-story dining hall and renovations. It was unanimously voted, upon motion of Mr. Ezovski, seconded by Mr. Bentz to accept the application from the Board of Governors.

Mr. Donovan requested that the Board appoint Advest Inc., as financial advisors for the Board of Governors. It was unanimously voted, upon motion of Mr. Ezovski, seconded by Mr. Jeffrey to appoint Advest as financial advisors for the Board of Governors bond issue.

Mr. Donovan requested that the Board appoint Tillinghast Licht as bond counsel for the Board of Governors. It was unanimously voted, upon motion of Mr. Bentz, seconded by Mr. Ezovski to appoint Tillinghast Licht as bond counsel for the Board of Governors bond issue.

7. TO ACCEPT AN APPLICATION FROM EAST BAY COLLABORATIVE AND ASSIGN A FINANCIAL ADVISOR AND BOND COUNSEL AND TO AUTHORIZE REQUEST FOR PROPOSALS FOR OTHER SERVICES

Mr. Donovan stated that the Corporation has received an application from East Bay Collaborative for a bond issue up to \$2.5 million. The bond will be used to purchase a building. It was unanimously voted, upon motion of Mr. Ezovski, seconded by Mr. Bentz to accept the application from East Bay Collaborative.

Mr. Donovan requested that the Board appoint First Southwest as financial advisors for East Bay Collaborative. It was unanimously voted, upon motion of Mr. Jeffrey seconded by Mr. Ezovski to appoint First Southwest as financial advisors for East Bay Collaborative bond issue.

Mr. Donovan requested that the Board appoint Partridge Snow & Hahn as bond counsel for the East Bay Collaborative. It was unanimously voted, upon motion of Mr.

Jeffrey, seconded by Mr. Bentz to appoint Partridge Snow & Hahn as bond counsel for the East Bay Collaborative bond issue.

8. TO GRANT FINAL APPROVAL FOR A DIRECT LOAN TO NHPRI

Ms. Schramek reviewed the Final Approval Memorandum for the Direct Loan for Neighborhood Health Plan of Rhode Island. It was unanimously voted, upon motion of Mr. Jeffrey, seconded by Mr. Bentz to grant Final Approval for Neighborhood Health Plan of Rhode Island.

9. TO ACCEPT AN APPLICATION FROM PAUL CUFFEE SCHOOL AND ASSIGN A FINANCIAL ADVISOR AND BOND COUNSEL AND TO AUTHORIZE REQUEST FOR PROPOSALS FOR OTHER SERVICES

Mr. Donovan stated that the Corporation has received an application from the Paul Cuffee School for a \$1.4 million bond issue. The bond will be used to purchase land and a building. It was unanimously voted, upon motion of Mr. Bentz, seconded by Mr. Jeffrey to accept the application from the Paul Cuffee School.

Mr. Donovan requested that the Board appoint Public Financial Management as financial advisors for the Paul Cuffee School. It was unanimously voted, upon motion of Mr. Ezovski seconded by Mr. Jeffrey to appoint Public Financial Management as financial advisors for the Paul Cuffee School bond issue.

Mr. Donovan requested that the Board appoint Partridge Snow & Hahn as bond counsel for the Paul Cuffee School. It was unanimously voted, upon motion of Mr. Bentz, seconded by Mr. Ezovski to appoint Partridge Snow & Hahn as bond counsel for the Paul Cuffee School bond issue.

10. TO CONSIDER A MOTION TO MOVE INTO EXECUTIVE SESSION IN ACCORDANCE WITH SECTION 42-46-5(A) (5) OF THE OPEN MEETING LAW RELATED TO DISCUSSION OR CONSIDERATION RELATED TO ACQUISITION OR LEASE OF REAL PROPERTY

Mr. Salome asked for a motion to move into Executive Session. It was unanimously voted, upon motion of Mr. Jeffrey, seconded by Mr. Bentz to move into Executive Session.

Upon returning from Executive Session, it was unanimously voted upon motion of Mr. Jeffrey and Mr. Bentz to be a Real Estate Exploratory Committee to review and consider all the real estate options.

11. TO CONSIDER ANY OTHER BUSINESS TO COME PROPERLY BEFORE BOARD

There being no other business to come before the Board, it was unanimously voted, upon motion of Mr. Bentz, seconded by Mr. Ezovski, to adjourn at 6:05 PM.

Submitted