

RHODE ISLAND HEALTH AND EDUCATIONAL BUILDING CORPORATION

MEETING OF THE BOARD OF DIRECTORS

July 17, 2008

A Meeting of the Board of Directors of the Rhode Island Health and Educational Building Corporation was held on **Thursday, June 12, 2008 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; Douglas Jeffrey, Assistant Treasurer; Terrence Biafore, Secretary

Also present: Robert E. Donovan, the Corporation's Executive Director; June Matte from Public Financial Management, Inc., Maureen Gurghigian from First Southwest Co., the Corporation's Financial Advisors; Karen Grande from Edwards Angell Palmer & Dodge LLP, Normand Benoit and Eugene Bernardo from Partridge, Snow & Hahn, the Corporation's Bond Counsel and Antonio Afonso, Jr., Esq. from Moses Afonso, LTD, the Corporation Counsel.

1. A) APPROVAL OF THE MINUTES FROM JUNE 12, 2008

It was unanimously voted upon motion by Mr. Biafore, seconded by Mr. Ezovski to approve the Public Session Minutes of the Regular Meeting of June 12, 2008.

B) TO APPROVE A MOTION TO KEEP PRIOR EXECUTIVE SESSION MINUTES CONFIDENTIAL

It was unanimously voted upon motion by Mr. Ezovski, seconded by Mr. Jeffrey to approve and keep prior Executive Session Minutes confidential.

2. TO REVIEW THE EXECUTIVE DIRECTOR'S REPORT

A) To update on results of Legislative Session

Mr. Donovan reported that the Budget for FY2009 of the State includes the transfer of \$1.1 million from the Corporation to the State. Also legislation was passed to allow the Rhode Island Blood Bank to finance their project through the Corporation.

B) Community Hospitals

Mr. Donovan updated the Board on the proceedings related to Landmark Medical Center and the appointment of a special master. The Board was also updated on recent downgrades for the bonds of Westerly Hospital and St. Joseph Health Services.

C) Authorization to Engage Legal Counsel regarding IRS Audit

Mr. Salome recused himself from the matter and turned the meeting over to Mr. Ezovski, Vice Chairman. Mr. Donovan requested the Board appoint Mr. James McGuirk of Edwards Angell Palmer and Dodge LLP as attorney in-fact for the IRS audit of the Salve Regina University 2002 bond issue. It was unanimously voted upon motion by Mr. Biafore, seconded by Mr. Jeffrey to appoint Mr. McGuirk as attorney-in-fact for the audit.

3. TO REVIEW THE FINANCIAL ADVISOR REPORTS

Ms. Matte reviewed the recent sale of the Roger Williams University bond issue.

Ms. Gurghigian updated the Board on the status of bond insurance companies.

4. A) TO APPOINT FINANCIAL ADVISORS FOR RIHEBC

It was unanimously voted upon motion by Mr. Ezovski, seconded by Mr. Biafore to appoint Public Financial Management and First Southwest Company as Financial Advisors to the Corporation.

B) TO APPOINT BOND COUNSEL FOR RIHEBC

It was unanimously voted upon motion by Mr. Ezovski, seconded by Mr. Biafore to appoint Edwards Angell Palmer & Dodge LLP, Partridge Snow & Hahn LLP and Adler Pollock & Sheehan as Bond Counsel to the Corporation.

C) TO APPOINT CORPORATE COUNSEL FOR RIHEBC

It was unanimously voted upon motion by Mr. Biafore, seconded by Mr. Ezovski to appoint Moses & Afonso Ltd. as General Counsel.

D) TO SELECT A LIST OF QUALIFIED INVESTMENT BANKERS

It was unanimously voted upon motion by Mr. Ezovski, seconded by Mr. Jeffrey to approve the list of Investment Bankers contained in Tab 4.

5. TO ELECT OFFICERS FOR THE CORPORATION

It was unanimously voted upon motion by Mr. Ezovski, seconded by Mr. Jeffrey to elect the current officers; James Salome, Chairman; Ralph Ezovski, Vice Chairman; John Bentz, Treasurer; Douglas Jeffrey, Assistant Treasurer; Terrence Biafore, Secretary.

6. TO ACCEPT AN APPLICATION FROM MOSES BROWN SCHOOL AND APPOINT BOND COUNSEL AND A FINANCIAL ADVISOR

Mr. Donovan stated that the Corporation received an application from Moses Brown School for a Bond Issue. It is requested that the Board accept the application. It was unanimously voted upon motion by Mr. Biafore, seconded by Mr. Ezovski to accept the application from Moses Brown School.

Mr. Donovan requested that the Board appoint Edwards Angell Palmer & Dodge LLP as Bond Counsel for the Moses Brown School Bond Issue. It was unanimously voted, upon motion by Mr. Jeffrey, seconded by Mr. Biafore to appoint Edwards Angell Palmer & Dodge LLP as Bond Counsel for Moses Brown School.

Mr. Donovan requested that the Board appoint First Southwest Company as a Financial Advisor for the Moses Brown School Bond Issue. It was unanimously voted upon motion by Mr. Ezovski, seconded by Mr. Biafore to appoint First Southwest Company as a Financial Advisor for Moses Brown School.

7. TO APPROVE AMENDMENTS TO THE FINAL APPROVAL AND AUTHORIZING RESOLUTION FOR THE BOARD OF GOVERNORS BOND ISSUE

Ms. Gurghigian presented the amended Final Approval for the Board of Governors bond issue and it was unanimously voted upon motion by Mr. Ezovski, seconded by Mr. Biafore to grant the Final Approval.

Ms. Grande presented the amended Authorizing Resolution which was unanimously voted upon motion by Mr. Ezovski, seconded by Mr. Biafore to adopt the amended Authorizing Resolution.

It was unanimously voted upon motion by Mr. Ezovski, seconded by Mr. Biafore to add Bank of America and Oppenheimer & Co. as co-manager.

8. TO GRANT PRELIMINARY APPROVAL FOR ROGER WILLIAMS UNIVERSITY

Ms. Matte reviewed the Preliminary Approval Memorandum for Roger Williams University. It was unanimously voted, upon motion by Mr. Biafore, seconded by Mr. Ezovski to Grant Preliminary Approval for Roger Williams University.

9. TO GRANT PRELIMINARY APPROVAL FOR CRANSTON PUBLIC SCHOOLS

Ms. Gurghigian reviewed the Preliminary Approval Memorandum for the Cranston Public Schools. It was unanimously voted, upon motion by Mr. Biafore, seconded by Mr. Jeffrey to Grant Preliminary Approval for Cranston.

10. TO GRANT FINAL APPROVAL AND ADOPT AN AUTHORIZING RESOLUTION FOR THE PUBLIC SCHOOL POOL 2008B BOND ISSUE

Ms. Gurghigian reviewed the Final Approval Memorandum for the Public School Pool 2008B Bond Issue. It was unanimously voted, upon motion by Mr. Ezovski, seconded by Mr. Jeffrey to Grant Final Approval for the Public School Pool containing any or all of the listed communities.

Ms. Grande reviewed the Authorizing Resolution for the the Public School Pool 2008B Bond Issue. It was unanimously voted, upon motion by Mr. Ezovski, seconded by Mr. Biafore to adopt the Authorizing Resolution for the Public School Pool bond issue containing any or all of the communities.

It was unanimously voted, upon motion by Mr. Ezovski, seconded by Mr. Jeffrey to appoint Roosevelt & Cross as co-manager.

12. TO CONSIDER ANY OTHER BUSINESS TO COME PROPERLY BEFORE THE BOARD

There being no other business to come before the Board, it was unanimously voted, upon motion by Mr. Ezovski, seconded by Mr. Jeffrey, to adjourn at 6:15 PM.

Submitted