

**Oregon Facilities Authority**  
**Minutes of Meeting of**  
November 8, 2021

A duly called meeting of the Oregon Facilities Authority ("OFA" or the "Authority") was held on November 8, 2021, commencing at approximately 1:00 p.m. The physical location of the meeting was at 888 SW Fifth Avenue, Suite 1600, Portland, Oregon. The meeting was held by Zoom teleconference.

Authority Members participating in the meeting (via Zoom, unless otherwise indicated) were: Chair Eric Johansen, Vice-Chair Roy Kim, and Authority Members Kevin McAuliffe, Sean Hubert, Erika Patton, and Kathleen Cornett.

Participating in the meeting to assist the Authority (via Zoom, unless otherwise indicated) were: Jessica Morgan, Associate Executive Director of the Authority; Carol McCoog of Hawkins Delafield & Wood LLP, SNAP Loan and Special Bond Counsel; Doug Goe and Greg Blonde of Orrick Herrington and Sutcliffe LLP, Lead Bond Counsel; Duncan Brown of PFM, Financial Advisor to the Authority; Kevin Quinn of Wye River Group, Alternate Financial Advisor to the Authority; Laura Worth and Jacqueline Knights of the Office of the State Treasurer ("OST"); and Senior Assistant Attorney General Sam Zeigler, Oregon Department of Justice ("DOJ").

Chair Eric Johansen called the meeting to order and presented the notice of meeting.

**Consideration of Conditional Final Approval for the extension of the mandatory put date for bonds previously issued on behalf of Samaritan Health Services, Inc.**

Mr. Daniel Smith, SVP & CFO, appeared on behalf of the Borrower. Mr. Duncan Brown of the financial advisory firm to the Borrower, PFM Financial Advisors, and Mr. Kendall Hansen of the purchasing bank, Key Bank, appeared to assist with the presentation.

Mr. Smith presented on Samaritan Health Services' facilities service area. It has more than 6,000 employees and 500 clinicians across more than 80 clinics in three counties in Oregon. Mr. Smith explained that the 2014 OFA Traditional Bond purchased by Key Bank had a fixed interest rate, and the modifications to the Bonds will extend the fixed rate until December 18, 2028. Mr. Brown reported the interest rate will be 2.30% which is a 51 basis point reduction from the current rate.

The Financial Advisor's report is included in the materials. Mr. Kevin Quinn reported on his meeting with Samaritan Health Services. He noted that various alternative solutions were explored, and that the market competitive rate and the

long term banking relationship with Key Bank were factors in deciding on this amendment. Mr. Quinn recommended the transaction for conditional final approval.

Bond Counsel's report is included in the materials. Mr. Blonde reported that a scoping call was held to discuss the amendments to the 2014 OFA Bonds. He explained that while the Bonds were not being reissued, because of the size of the interest rate reduction it is considered a tax reissuance. Mr. Blonde recommended the transaction for conditional final approval.

The Associate Executive Director's report is included in the materials. Ms. Morgan reported that she attended the scoping call with the Borrower's financing team. She recommended the transaction for conditional final approval.

**After discussion, Mr. Kim moved that the Authority adopt Resolution 2021-11, granting Conditional Final Approval for the extension of the mandatory put date for bonds previously issued on behalf of Samaritan Health Services, Inc., and recommending that the State Treasurer consider closing the transaction when the conditions have been met. Ms. Cornett seconded the motion. Resolution 2021-11 was unanimously approved.**

**Consideration of Final Approval for the application by Mercy Flights Incorporated for an OFA SNAP Loan in an amount not to exceed \$3,800,000.**

Ms. Sheila Clough, Chief Executive Officer, Ms. Renee Schroyer, Chief Financial Officer, appeared on behalf of the Applicant. Ms. Sharon Guisande and Mr. Andy Shaer of Columbia Bank, the Sponsoring Bank, appeared to assist with the Application.

Ms. Clough summarized the transaction. The SNAP proceeds will be used for the purpose of acquiring a new helicopter and associated upgrades to enable emergency responsiveness in the Applicant's geographical area. Ms. Guisande provided a summary of the financing plan. The SNAP Loan will have a 10-year term, with an initial rate of interest fixed for 5 years and reset for the remaining term thereafter. The initial interest rate is estimated at 2.00%

SNAP Loan Counsel's report is included in the materials. Ms. McCoog reported that SNAP Loan Counsel conducted the tax due diligence and analyzed the private use issue for the helicopter. She reported that the loan documentation is standard and the documents are in substantially final form. Ms. McCoog recommended the transaction for final approval.

The Associate Executive Director's report is included in the materials. Ms. Morgan reported the TEFRA hearing was held on October 20, 2021, and that the estimated

closing date is December 20, 2021. Ms. Morgan recommended the transaction for preliminary approval.

**After discussion, Mr. Kim moved that the Authority adopt Resolution 2021-12, granting Final Approval to Mercy Flights Incorporated for an OFA SNAP Loan in an amount not to exceed \$3,800,000. Ms. Cornett seconded the motion. Resolution 2021-12 was unanimously approved.**

**Approval of Minutes**

The Minutes of the meeting of September 13, 2021, were unanimously approved.

**Associate Executive Director Reports**

Ms. Morgan directed the Board's attention to the Bonding Report and General Report, both of which were included with the materials.

The Chair asked for public comment. There was none.

There being no further business to come before the Authority, the meeting was adjourned at approximately 1:50 p.m.

*Eric H. Johansen*

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Eric H. Johansen, Chair

*Jessica Morgan*

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Jessica Morgan, Associate Executive Director

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