

Minutes of the New Jersey Health Care Facilities Financing Authority meeting held on [March 25, 2010](#) on the fourth floor of Building #4, Station Plaza, 22 South Clinton Avenue, Trenton, New Jersey.

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

Gus Escher, Public Member; Ulysses Lee, Public Member (via telephone); Suzette Rodriguez, Public Member (via telephone); William Conroy, Designee of the Commissioner of Health and Senior Services; and Eileen Stokley, Designee of the Commissioner of Human Services.

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

Mark Hopkins, Steve Fillebrown, Jim Van Wart, Lou George, Suzanne Walton, Bill McLaughlin, Bernie Miller, Arvella King, Edwin Fuentes, Carole Conover, Michael Ittleon, Marji McAvoy, Tammy Trovato, Brooke Liebowitz.

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

Cliff Rones, Deputy Attorney General; Gary Walsh, Windels, Marx Lane & Mittendorf; Jim Petrino, Office of Public Finance; and, Kim Hancy, Ernst & Young.

### ***CALL TO ORDER***

Vice Chairman Gus Escher called the meeting to order at 10:16 a.m. and announced that this was a regular meeting of the Authority, held in accordance with the schedule adopted at the May 28, 2009 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.

### ***APPROVAL OF MINUTES***

#### ***February 25, 2010 Authority Meeting***

Minutes from the Authority's February 25, 2010 meeting were presented for approval. Mr. Conroy offered a motion to approve the minutes; Ms. Stokley seconded. Mr. Escher voted yes, Mr. Lee voted yes, Ms. Rodriguez voted yes, Mr. Conroy voted yes, and Ms. Stokley voted yes. The minutes were approved.

#### ***March 12, 2010 Special Authority Meeting***

Minutes from the Authority's March 12, 2010 special meeting were presented for approval. Mr. Conroy offered a motion to approve the minutes; Mr. Lee seconded. Mr. Escher voted yes, Mr. Lee voted yes, Ms. Rodriguez voted yes, Mr. Conroy voted yes, and Ms. Stokley abstained. The minutes were approved.

***BOND SALE REPORT***  
***Catholic Health East***

Mr. George reported that on Wednesday March 3, the Authority successfully priced \$124,925,000 of Bonds on behalf of Catholic Health East. This was part of a multi-state issue totaling \$418,260,000 and included issuances in the states of Connecticut, Massachusetts, Pennsylvania, Georgia, and North Carolina. The Authority's portion of the financing was the largest and the most complicated. He noted that the Members may recall approving a contingent bond sale in December to refund the Authority's 1998E bonds and the Camden County Improvement Authority's 1998B bonds. Also, proceeds from the transaction would be used to effectuate a tender offer for our 2007E bonds. Although approved in December, the pricing was delayed until the other states were ready to enter the market as the issuance was marketed under a single Official Statement.

On Tuesday morning March 2<sup>nd</sup>, the underwriter, B of A Merrill Lynch, indicated that nominal yields were at historic lows and that there was no other health care paper scheduled for pricing during the week. Accordingly, the Authority and the other state participants agreed to enter the market with a retail order period on that date. The underwriter indicated that they would be building their pricing off of North Carolina as that State is considered a premier specialty state. Those rates were 10 basis points through New Jersey on the serial bonds. For the retail order period, the New Jersey portion was structured with serials from 2010 through 2020 and a 2024 term bond. Other term bonds were planned for the institutional pricing.

Later that afternoon the underwriter advised us that the 2010 through 2012 were two times oversubscribed but that the serials in 2013 through 2017 garnered very little interest, which is not unusual. As a result, the underwriter reduced the yield by 10 BP on the 2010 and by 5 BP on the 2011 and 2012 maturities and suggested increasing the coupon to 5% on the 2013 through 2017 serials as some investors, particularly retail trusts, prefer that coupon. In addition, the 2024 term bond was restructured by extending the serials though 2025.

A tender offer was conducted in conjunction with the financing, and the tender price was announced early on the morning of March 3<sup>rd</sup> and holders of greater than \$1 million were required to respond by 11:00 a.m. Holders of smaller amounts were given until March 8<sup>th</sup> to respond to the tender. The tender price was \$78.80 per \$100 bond and 1 holder, Rochester, tendered \$75 million of their bonds. After verifying the amount of bonds to be tendered, the underwriter was in a position to advise us on the structure for the balance of our issue. The Authority entered the market for the intuitional sale in the afternoon of the 3<sup>rd</sup> with term bonds in 2029 and 2033 at yields of 5.0% and 5.15% respectively.

At 3:30, the underwriter made an offer to underwrite, and the Authority and Catholic Health East agreed to the offer. The transaction had serial bonds from 2010 through 2025 with yield ranging from 1.25% to 4.72 % and term bonds in 2029 and 2033 with yields of 5.0% and 5.15 % respectively.

On March 9, the Authority sold an additional \$5,755,000 of bonds at approximately the same yields as the March 3<sup>rd</sup> sale. This sale was needed to provide the proceeds for those smaller holders who had not tendered their bonds on March 3<sup>rd</sup>.

The interest rates outlined earlier, together with the expense components, result in an all-in True Interest Cost for the New Jersey piece of 5.854%. Specific to New Jersey, the refunding, including the tender offer, resulted in a net present value savings to Catholic Health East of \$6.19 million or 4.43% of the refunded bonds. A total of \$98,130,000 of the Series 2007 bonds were tendered.

Mr. George reported that, in the aggregate for the multi-state transaction, Catholic Health East had a net present value savings of \$18.6 million or 4.89% of the refunded bonds.

Mr. Escher asked if the ratings on the other State issuances were the same to which Mr. George replied that all bonds were rated A, regardless of which states issued them. In terms of rate, he noted that North Carolina did a little better than New Jersey by about 10 basis points.

### ***AMENDMENT TO TAX REGULATORY AGREEMENT***

#### ***The Avalon at Hillsborough***

Ms. McAvoy stated that on May 26, 2005, the Authority issued \$10,880,000 of its Revenue Bonds on behalf of The Avalon at Hillsborough, which is owned by Pilgrim River, LLC. The bond proceeds were used to construct, equip and to fund start-up costs for a new 81-unit, 97 licensed bed assisted living facility located in Hillsborough Township.

In connection with the issuance of the Bonds, The Avalon entered into a Tax Regulatory Agreement with the Authority which requires an on-site audit that is conducted annually by Authority Staff to assure its compliance with IRS Code Section 142(d).

Ms. McAvoy further stated that Avalon now wishes to redeem their 2005 Bonds with a loan from Lancaster Pollard Mortgage Company which will be insured by HUD. The loan will be secured by a mortgage on the facility. The redemption of the Authority's bonds will improve the financial viability of Avalon by substantially reducing their interest expense.

As a condition to insuring the loan, HUD requires subordination of the Tax Regulatory Agreement. While the Tax Regulatory Agreement would be subordinate to HUD, it remains in effect and the Authority would continue conducting the annual on-site audits through the remainder of the Qualified Project Period.

A draft of the First Amendment to The Tax Regulatory Agreement as well as a draft Resolution authorizing the execution of The First Amendment to the Tax Regulatory Agreement prepared by Windels, Marx, Land & Mittendorf as Bond Counsel, were provided for review in advance of the meeting.

Mr. Escher questioned why the Authority had an interest in the Tax Regulatory Agreement continuing after the redemption of bonds to which Mr. Walsh replied that the Authority must continue to perform annual audits of the facility's compliance with Section 142(d) of the IRS Code. It requires that the facility maintain a certain percentage of its units for low and medium income residents. The audits by the Authority must be done for fifteen years after the issuance of the 142(d) bonds regardless of whether they are still outstanding. If the units are not kept in

compliance with Section 142(d), the original bonds could be determined to be found taxable retroactively.

Ms. Stokley moved to amend the Tax Regulatory Agreement as recommended by staff. Mr. Conroy seconded. The vote was unanimous and the motion carried.

**AB RESOLUTION NO. JJ-69**  
*(attached)*

***AMENDMENT TO THE LOAN AGREEMENT***  
***St. Joseph's Healthcare System***

Ms. McAvoy stated that in August, 2008, the Authority issued \$248,910,000 of its Revenue Bonds on behalf of the St. Joseph's Healthcare System Obligated Group. Proceeds of this issue were used to refund bonds and a bank loan for both St. Joseph's Hospital in Paterson and St. Joseph's Wayne Hospital as well as fund construction and renovation projects at both locations. The security for the Series 2008 Bonds is a mortgage lien on both facilities and a security interest in the gross revenues.

St. Joseph's Healthcare System, Inc. has initiated a merger between the two wholly-owned subsidiaries, St. Joseph's Wayne Hospital, Inc., and St. Joseph's Hospital and Medical Center, with the surviving corporation named St. Joseph's Hospital and Medical Center.

The Department of Health and Senior Services Certificate of Need and Healthcare Facility Licensure Program approved the transfer of ownership of St. Joseph's Wayne Hospital to St. Joseph's Hospital and Medical Center effective January 1, 2010. A copy of this approval and License was included in the Board package.

The purpose of this amendment to the Loan Agreement is to clarify and make consistent the borrower entity as a result of this merger in our Series 2008 Bond documents. In other words, all references to "Institutions" and "Borrowers" in the plural sense will become "Institution" and "Borrower" in the singular form. And, all references to St. Joseph's Hospital and Medical Center will no longer be construed to refer to St. Joseph's Wayne Hospital as a separate entity.

A First Amendment to the Loan Agreement was prepared by Windels Marx Lane & Mittendorf as Bond Counsel as well as a Resolution Authorizing a First Amendment and both were provided in advance of the meeting. Ms. McAvoy stated that the Attorney General's office reviewed the Amendment and Resolution and had no objection to the Board's consideration of this matter.

When asked what the principal benefit of this amendment was to the System, Ms. McAvoy stated that it simply was a matter of cleaning up the documents.

Mr. Conroy moved to amend St. Joseph's Healthcare Systems' loan agreement as recommended by staff. Mr. Lee seconded. The vote was unanimous and the motion carried.

**AB RESOLUTION NO. JJ-70**  
*(attached)*

***AUDIT COMMITTEE REPORT***

***Authority's 2009 Audit***

Bill Conroy reported that Randy Nelson, Executive Director at Ernst & Young, presented the Authority's 2009 Audit to the Audit Committee on March 9, 2010. At the meeting, the Committee voted to approve the audit. Further, the Committee recommends the Authority's approval of the 2009 Audit, as well as its submission to the Governor, members of the Legislature, the Secretary of State, and the Comptroller of the Treasury by March 31st, as is required by the Authority's enabling legislation.

Mr. Conroy then highlighted a few key aspects of the 2009 audit. He stated that he was pleased to report that Ernst & Young found no problems with the Authority's internal controls. In fact, Mr. Nelson had commended the Authority's high regard for internal controls, which is a result of knowledgeable Authority staff supported by firm Authority policies and procedures. Because of these strong internal controls, Ernst & Young felt no need to prepare a Letter to Management with this audit since there were no areas of concern that required identification for improvement.

Further, Ernst & Young's audit of the 2009 financials found:

- No unusual Authority transactions,
- No unrecorded audit differences,
- No fraudulent or illegal acts,
- No material weaknesses,
- No internal controls concern, and
- No difficulties with management.

One difference in 2009 was the creation of the Authority's loan program for Federally Qualified Health Centers using the Authority's unrestricted net assets. In 2009, \$2 million was designated to providing funding for these start-up facilities. Subsequent to the year-end audit, a loan was made under this program to the Lakewood Resource and Referral Center.

Mr. Conroy then commended the Authority's Division of Operations and Finance for another year of outstanding work.

Ms. Escher questioned whether this was the first year that the Authority didn't receive a Management Letter to which Mr. Ittleson replied that the Authority had not received one for a number of years. He noted that a few years ago the regulation changed whereby verbiage has been added to the back of the Audit Book that talks about any deficiencies in controls.

Mr. Escher congratulated the Authority's Operations and Finance Division once again for the good audit. Then, Mr. Conroy made a motion to authorize the 2009 Audit's approval and

submission to the Governor, members of the Legislature, the Secretary of State, and the Comptroller of the Treasury by March 31st, as is required by the Authority's enabling legislation. Ms. Stokley seconded. The vote was unanimous and the motion carried.

**AB RESOLUTION NO. JJ-71**

**NOW, THEREFORE, BE IT RESOLVED**, that the Authority hereby approves the 2009 Audit and authorizes its submission to the Governor, members of the Legislature, the Secretary of State, and the Comptroller of the Treasury by March 31st, as is required by the Authority's enabling legislation.

***AUTHORITY EXPENSES***

Mr. Escher referenced a summary of Authority expenses and invoices and then Ms. Stokley offered a motion to approve the bills and to authorize their payment; Mr. Conroy seconded. The vote was unanimous and the motion was approved.

**AB RESOLUTION NO. JJ-72**

**WHEREAS**, the Authority has reviewed memoranda dated March 18, 2010, summarizing all expenses incurred by the Authority in connection with FHA Mortgage Servicing, Trustee/Escrow Agent/Paying Agent fees, and general operating expenses in the amounts of \$544,468.86, \$13,831.50, and \$65,063.02 respectively, and has found such expenses to be appropriate;

**NOW, THEREFORE, BE IT RESOLVED**, that the Authority hereby approves all expenses as submitted and authorizes the execution of checks representing the payment thereof.

***STAFF REPORTS***

Mr. Escher thanked staff for the Project Development Summary, Cash Flow Statement, and Legislative Advisory. Mr. Hopkins then presented his Executive Director's Report, which stated the following:

1. The Authority, on behalf of the State, has been awarded an \$11.4 million grant for establishing Health Information Exchanges around the State. This grant was part of the American Recovery and Reinvestment Act of 2009. Four regional Health Information Exchanges, already selected by the Health Information Technology Commission, will be the recipients of the grant proceeds. The Authority will be responsible for distributing the grant funds and monitoring and reporting on their use. The Authority and representatives of the State's Health Information Technology Commission have been interviewing candidates for the new position of Health Information Technology Project Manager at the Authority to oversee the projects and the grant funds. The pool has been narrowed and a second round of interviews is being scheduled for the finalists.
2. Governor Christie's State Fiscal Year 2011 budget proposal includes approximately \$665 million in charity care and \$30 million in stabilization grants for hospitals. In total, this is \$50 million more to hospitals. However, the cap on the .53% assessment on revenues of hospitals, as well as ambulatory surgery centers, is being removed. This will amount to an additional \$38.7

million assessment on hospitals. Thus the net increase in State funding of hospitals is proposed to be \$11.3 million next year.

3. After being confirmed by the Senate on March 22, 2010, The Commissioner of Health and Senior Services, Dr. Poonam Alaigh, the Commissioner of Banking and Insurance, Thomas B. Considine, Esq. and the Commissioner of Human Services, Jennifer Velez, Esq., have all since taken their Oath of Office.

4. Governor Christie has nominated David Knowlton to serve as a Public Member of the Authority. Mr. Knowlton is the president and CEO of the New Jersey Health Care Quality Institute and served on the Governor's transition team. He was also a deputy health commissioner during the administration of Gov. Kean. Once confirmed, Mr. Knowlton will be replacing Ulysses Lee, whose term expired in 2008.

5. Hospital News:

a. St. Mary's reorganization plan became effective on March 1, 2010. St. Mary's made a nearly full principal and interest payment on its loan due March 1<sup>st</sup>, 2010. Subsequently St. Mary's will make principal and interest payments of \$2.2 million a year for the following 29 years. The amount due on the bonds is \$3.7 million a year for the next 18 years. The \$1.5 million shortfall in the first 18 years is expected to be paid by the State, subject to appropriation, pursuant to its agreement to back the bonds under Hospital Asset Transformation Program. The three advisory board members on the 211 Pennington Avenue Trust, which includes me as a representative of the Authority, are conducting interviews to select a Trustee to sell 211 Pennington Avenue.

6. Authority News:

a. The Authority welcomes Tammy Trovato as the Authority's new administrative assistant in the Project Management Division. Tammy comes to us with extensive experience. Most recently she was an Assistant Vice President/Legal Assistant at Merrill Lynch where, since January 2002, she also served as a Statement Corrections Supervisor and Third Party Litigation Senior Analyst. Prior to that Tammy was a Project Manager at AT&T Local Network Services for seven years. Tammy is pursuing paralegal studies at Raritan Valley Community College and has a Computer Graphics Certificate from Alpha Train Computer Training Center.

b. The Authority also welcomes Brooke Liebowitz as the Authority's interim Communications Specialist, who is filling the shoes of Stephanie Bilovsky while she is on a one year leave of absence. Since 2001, Brooke has been the Executive Director of the Literacy Volunteers of Hunterdon County. She also just completed a four-year term as a councilwoman in the borough of Flemington. Prior to that, Brooke was a Corporate Communications and External Relations Specialist at BankBoston and the Community Affairs and Grants Coordinator in the office of Manhattan's Borough President. She received a Bachelor of Arts from Hunter College in Communications and Urban Studies.

Mr. Escher asked if Health Information Technology is going to be an on-going part of the Authority's business to which Mr. Hopkins replied that the grant money will be distributed over a four year period, and the position that the Authority currently has open is for that four year period. It was noted that once this program is up and running, it will be a matter of maintenance and salary.

This concluded the Executive Director's report. As there was no further business to be addressed, following a motion by Ms. Stokley and a second by Mr. Conroy, the Members voted unanimously to adjourn the meeting at 10:50 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 ON MARCH 25, 2010.

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Carole A. Conover  
Assistant Secretary



**AB RESOLUTION NO. JJ-69**

**RESOLUTION OF THE AUTHORITY AUTHORIZING A  
FIRST AMENDMENT TO TAX REGULATORY AGREEMENT  
WITH RESPECT TO ITS REVENUE BONDS  
(THE AVALON AT HILLSBOROUGH, A BRIDGEWAY  
ASSISTED LIVING RESIDENCE PROJECT)  
SERIES 2005A**

**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, as amended (N.J.S.A. 26:2I-1, et seq.) (the “**Act**”), for the purpose of ensuring that all health care institutions have access to financial resources to improve the health and welfare of the citizens of the State of New Jersey (the “**State**”); and

**WHEREAS**, the Authority is authorized under the Act to make loans to “health care organizations” for the construction of “projects” (as such terms are defined in the Act) and to issue its bonds for the purpose of carrying out its powers under the Act; and

**WHEREAS**, Pilgrim River, LLC, a New Jersey Limited Liability Company (the “**Borrower**”) is a health care organization under the Act; and

**WHEREAS**, the Authority has previously issued its \$10,880,000 Revenue Bonds (The Avalon at Hillsborough, a Bridgeway Assisted Living Residence Project) Series 2005A (the “Series 2005A Bonds”) and its \$1,175,000 Revenue Bonds (The Avalon at Hillsborough, a Bridgeway Assisted Living Residence Project) Series 2005B (Federally Taxable) (the “Series 2005B Bonds” and collectively, with the Series 2005A Bonds, the “Bonds”) to assist in the development of an assisted living facility for the elderly known as The Avalon at Hillsborough, a Bridgeway Assisted Living Residence (the “Facility”); and

**WHEREAS**, the Authority and the Borrower entered into a Tax Regulatory Agreement with respect to the Series 2005A Bonds dated as of May 26, 2005, which was recorded in the County of Somerset, New Jersey (the “**Agreement**”); and

**WHEREAS**, the Borrower intends to cause the Bonds to be paid in full with the proceeds of the mortgage loan made by Lancaster Pollard Mortgage Company (the “**Lender**”) to the Borrower with respect to the facility (the “**Mortgage Loan**”) and to be insured by the Secretary of Housing and Urban Development under the National Housing Act; and

**WHEREAS**, the Borrower and the Authority agree to enter into the First Amendment to Tax Regulatory Agreement (the “**Amendment**”) to facilitate the making of the Mortgage Loan and payments in full of the Bonds.

**NOW THEREFORE, BE IT RESOLVED**, by the Authority, as follows:

**Section 1. Approval of Amendment.** The form of the Amendment presented to this meeting (a copy of each of which shall be filed with the records of the Authority) is hereby approved and the Chairman, Vice Chairman, Executive Director or Deputy Executive Director (each, an “**Authorized Officer**”) are each hereby authorized and directed to execute, acknowledge and deliver, the Amendment in substantially such form, with such changes therein as counsel may advise and the officers executing the same may approve, such approval to be evidenced by their execution thereof.

**Section 2. Incidental Action.** The Authorized Officers of the Authority are hereby authorized and directed to execute and deliver such other documents and to take such other action as may be necessary or appropriate in order to effectuate the actions contemplated by this Resolution, all in accordance with the foregoing sections hereof.

**Section 3. Prior Resolutions.** All prior resolutions of the Authority or portions thereof inconsistent herewith are hereby replaced.

**Section 4. Effective Date.** This Resolution shall take effect ten (10) days, exclusive of Saturdays, Sundays and public holidays, after delivery (and not including the day of delivery) to the Governor of the minutes of the meeting of the Authority at which this Resolution is adopted or such earlier time as the Governor signs a statement of approval, all in accordance with the subsection (i) of Section 4 of the Act.

**AB RESOLUTION NO. JJ-70**

**RESOLUTION OF THE AUTHORITY AUTHORIZING A  
FIRST AMENDMENT TO THE LOAN AGREEMENT  
WITH RESPECT TO ITS REVENUE BONDS  
ST. JOSEPH'S HEALTHCARE SYSTEM OBLIGATED GROUP ISSUE,  
SERIES 2008**

**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, as amended (N.J.S.A. 26:2I-1, et seq.) (the "**Act**"), for the purpose of ensuring that all health care institutions have access to financial resources to improve the health and welfare of the citizens of the State of New Jersey (the "**State**"); and

**WHEREAS**, the Authority is authorized under the Act to make loans to "health care organizations" for the construction of "projects" (as such terms are defined in the Act) and to issue its bonds for the purpose of carrying out its powers under the Act; and

**WHEREAS**, St. Joseph's Hospital and Medical Center ("**SJHMC**") and St. Joseph's Wayne Hospital Inc. ("**SJWH**" and together with SJHMC, the "**Institutions**") are each a health care organization under the Act; and

**WHEREAS**, the Authority has previously issued its Revenue Bonds, St. Joseph's Healthcare System Obligated Group Issue, Series 2008 (the "Bonds") in the principal amount of \$248,910,000. The Bonds were issued under and pursuant to the laws of the State of New Jersey, including particularly the Act, the Authority's General Health Care Facilities Registered Bond Resolution adopted on October 29, 1992 and the Authority's Series Resolution adopted on February 28, 2008, as amended by the First Supplement to the Original Series Resolution adopted on May 22, 2008; and

**WHEREAS**, the proceeds of the Bonds were loaned to the Institutions pursuant to that certain Loan Agreement dated as of August 1, 2008 by and between the Authority and the Institutions (the "**Loan Agreement**"); and

**WHEREAS**, pursuant to a Plan of Merger dated as of December 11, 2009, executed by SJHMC and SJWH, and a Certificate of the Plan of Merger filed with the Treasury, State of New Jersey on December 15, 2009 and effective January 1, 2010, SJWH merged into SJHMC (the "**Merger**"); and

**WHEREAS**, the Authority and SJHMC have agreed to amend the Loan Agreement pursuant to the First Amendment to Loan Agreement dated as of January 1, 2010 (the "**First Amendment**") to clarify the construction of certain terms used in the Loan Agreement which have become inconsistent or ambiguous as a result of the Merger.

**NOW THEREFORE, BE IT RESOLVED**, by the Authority, as follows:

**Section 1. Approval of First Amendment.** The form of the First Amendment presented to this meeting (a copy of each of which shall be filed with the records of the Authority) are hereby approved and the Chairman, Vice Chairman, Executive Director or Deputy Executive Director (each, an “**Authorized Officer**”) are each hereby authorized and directed to execute, acknowledge and deliver, the First Amendment, in substantially such form, with such changes therein as counsel may advise and the officers executing the same may approve, such approval to be evidenced by their execution thereof.

**Section 2. Incidental Action.** The Authorized Officers of the Authority are hereby authorized and directed to execute and deliver such other documents and to take such other action as may be necessary or appropriate in order to effectuate the actions contemplated by this Resolution, all in accordance with the foregoing sections hereof.

**Section 3. Prior Resolutions.** All prior resolutions of the Authority or portions thereof inconsistent herewith are hereby replaced.

**Section 4. Effective Date.** This Resolution shall take effect ten (10) days, exclusive of Saturdays, Sundays and public holidays, after delivery (and not including the day of delivery) to the Governor of the minutes of the meeting of the Authority at which this Resolution is adopted or such earlier time as the Governor signs a statement of approval, all in accordance with the subsection (i) of Section 4 of the Act.