

**SEQR RESOLUTION
THE MARY IMOGENE BASSETT HOSPITAL PROJECT**

A regular meeting of the Board of Directors of Otsego County Capital Resource Corporation (the “Issuer”) was convened in public session in the offices of the Issuer located at 189 Main Street in the City of Oneonta, Otsego County, New York on October 25, 2018 at 8:00 o’clock a.m., local time.

The meeting was called to order by the (Vice) Chairman of the Board of Directors of the Issuer and, upon roll being called, the following members of the Board of Directors of the Issuer were:

PRESENT:

Richmond Hulse, Jr.	Chairman
Jeff Joyner	Vice Chairman
Craig Gelbsman	Secretary
Jeffrey C. Lord	Treasurer
Tom Armao	Director
Patricia Kennedy	Director
Cheryl Robinson	Director
Andrew Marietta	Director

ABSENT:

ISSUER STAFF PRESENT INCLUDED THE FOLLOWING:

Jody Zakrevsky	Chief Executive Officer
Kurt Schulte, Esq.	Issuer Counsel
A. Joseph Scott, III, Esq.	Bond Counsel

The following resolution was offered by _____, seconded by _____, to wit

Resolution No. ____ - ____

RESOLUTION DETERMINING THAT ACTION TO UNDERTAKE A PROJECT FOR THE BENEFIT OF THE MARY IMOGENE BASSETT HOSPITAL (THE “BORROWER”) IS A “TYPE II ACTION” AND NO FURTHER ACTION IS REQUIRED UNDER SEQRA WITH RESPECT THERETO.

WHEREAS, Otsego County Capital Resource Corporation (the “Issuer”) was created pursuant to Section 1411 of the Not-For-Profit Corporation Law of the State of New York, as amended (the “Enabling Act”). Pursuant to the provisions of the Enabling Act and Revenue Ruling 57-187 and Private Letter Ruling 200936012, the Board of Representatives of Otsego County, New York (the “County”) adopted a resolution on October 1, 2008 (the “Sponsor Resolution”) (A) authorizing the incorporation of the Issuer under the Enabling Act and (B) appointing the initial members of the board of directors of the Issuer. In October, 2008, a certificate of incorporation was filed with the New York Secretary of State’s Office (the “Certificate of Incorporation”) creating the Issuer as a public instrumentality of the County; and

WHEREAS, the Issuer is authorized and empowered by the provisions of the Enabling Act to relieve and reduce unemployment, promote and provide for additional and maximum employment, better

and maintain job opportunities, and lessen the burdens of government and act in the public interest, and in carrying out the aforesaid purposes and in exercising the powers conferred in the Enabling Act, the Enabling Act declares that the Issuer will be performing essential governmental functions; and

WHEREAS, to accomplish its stated purposes, the Issuer is authorized and empowered under the Enabling Act to acquire real and personal property; to borrow money and issue negotiable bonds, notes and other obligations therefore; to lease, sell, mortgage or otherwise dispose of or encumber any of its real or personal property upon such terms as it may determine; and otherwise to carry out its corporate purposes in the territory in which the operations of the Issuer are principally to be conducted; and

WHEREAS, The Mary Imogene Bassett Hospital, a New York not-for-profit corporation (the “Borrower”), submitted an application (the “Application”) to the Issuer, a copy of which Application is on file at the office of the Issuer, which Application requested that the Issuer consider undertaking a project (the “Initial Project”) for the benefit of the Borrower, said Initial Project consisting of the following: (A) the refinancing of a commercial loan, the proceeds of which were used for the refunding of the Issuer’s Multi-Mode Refunding Revenue Bonds (The Mary Imogene Bassett Hospital Project), Series 2011B in the original aggregate principal amount of \$19,200,000 (the “Series 2011B Bonds”) issued on November 2, 2011, which Series 2011B Bonds were issued to finance a portion of the following project: (1) the refinancing and/or refunding of the County of Otsego Industrial Development Agency Multi-Mode Variable Rate Civic Facility Revenue Bonds (The Mary Imogene Bassett Hospital Project – Letter of Credit Secured), Series 2007A in the aggregate principal amount of \$20,000,000 (the “Series 2007A Bonds”), which Series 2007A Bonds were issued for the purpose of: (a) the acquisition of an interest in a parcel of land located at One Atwell Road, in the Village of Cooperstown, Otsego County, New York (the “Series 2007A Land”), together with a portion of two existing buildings located thereon and more particularly described as follows: (i) an interest in approximately 46,420 square feet of a building commonly referred to as Building 6, and (ii) an interest in approximately 200,250 square feet of a building commonly referred to as Building 9 (collectively, the “Series 2007A Facility”); (b) the renovation and reconstruction of the Series 2007A Facility; (c) the acquisition and installation therein and thereon of machinery and equipment (the “Series 2007A Equipment”) (the Series 2007A Land, the Series 2007A Facility and the Series 2007A Equipment hereinafter collectively referred to as the “Series 2007A Project Facility”); and (d) payment of issuance costs relating to the Series 2007A Bonds; and (2) the payment of issuance costs relating to the Series 2011B Bonds; (B) the refunding of the Issuer’s Tax-Exempt Multi-Mode Revenue Bonds (The Mary Imogene Bassett Hospital Project), Series 2015A in the original aggregate principal amount of \$23,600,000 (the “Series 2015A Bonds”) issued on August 21, 2015, which Series 2015A Bonds were issued to finance a portion of the following project: (1) the refinancing and/or refunding, in whole, of the County of Otsego Industrial Development Agency Civic Facility Revenue Bonds (Bassett Healthcare Obligated Group – Outpatient Clinic Project), Series 1998A in the original aggregate principal amount of \$15,000,000 (the “Series 1998A Bonds”) and Civic Facility Revenue Bonds (Bassett Healthcare Obligated Group Project), Series 1998B in the original aggregate principal amount of \$14,900,000 (the “Series 1998B Bonds”) (collectively, the “Series 1998 Bonds”), which Series 1998 Bonds were issued for the purpose of: (a) the financing and/or refinancing various capital projects located at One Atwell Road in the Village of Cooperstown, Otsego County, New York (the “Series 1998 Facility”), said Series 1998 Facility being operated by the Borrower as an acute care hospital facility, an outpatient clinic and other directly and indirectly related uses; (b) the acquisition and installation of an electronic medical records system at the Borrower’s campus located at One Atwell Road in the Village of Cooperstown, Otsego County, New York (the “Campus”) and at an additional facility of the Borrower located at 4773 State Highway 28 in the Town of Hartwick, Otsego County, New York, including, among other things, the replacement of and installation of various computer equipment, computer software systems, software licenses and maintenance/support, special project capability and programming services (collectively, the “Series 1998 Improvements”) (the Series 1998 Improvements and the Series 1998 Facility hereinafter collectively referred to as the “Series 1998 Project Facility”); and (c)

the payment of issuance costs relating to the Series 1998 Bonds; and (2) the payment of issuance costs relating to the Series 2015A Bonds; (C) the acquisition and installation of certain machinery and equipment at the Campus (the “Series 2018 Improvements”) (the Series 2007A Project Facility, the Series 1998 Project Facility and the Series 2018 Improvements hereinafter referred to as the “Initial Project Facility”); (D) the financing of all or a portion of the costs of the foregoing by the issuance of revenue bonds of the Issuer in one or more issues or series in an aggregate principal amount sufficient to pay the cost of undertaking the Initial Project, together with necessary incidental costs in connection therewith, presently estimated to not exceed \$65,000,000 but in any event not to exceed \$69,500,000 (the “Obligations”); (E) the payment of a portion of the costs incidental to the issuance of the Obligations, including issuance costs of the Obligations and any reserve funds as may be necessary to secure the Obligations; and (F) the making of a loan (the “Loan”) of the proceeds of the Obligations to the Borrower or such other person as may be designated by the Borrower and agreed upon by the Issuer; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law, Chapter 43-B of the Consolidated Laws of New York, as amended (the “SEQR Act”) and the regulations (the “Regulations”) adopted pursuant thereto by the Department of Environmental Conservation of the State of New York (collectively with the SEQR Act, “SEQRA”), the Issuer must satisfy the requirements contained in SEQRA and the Regulations prior to making a final determination whether to undertake the Initial Project; and

WHEREAS, to aid the Issuer in determining whether the Initial Project may have a significant effect upon the environment, the Borrower has prepared and submitted to the Issuer an environmental assessment form (the “EAF”), a copy of which EAF was presented to and reviewed by the Issuer at this meeting and a copy of which is on file at the office of the Issuer; and

WHEREAS, pursuant to SEQRA, the Issuer has examined the EAF in order to make a determination as to the potential environmental significance of the Initial Project; and

WHEREAS, the Initial Project appears to constitute a “Type II action” (as said quoted term is defined in the Regulations), and therefore it appears that no further determination or procedure under SEQRA is required with respect to the Initial Project;

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE BOARD OF DIRECTORS OF OTSEGO COUNTY CAPITAL RESOURCE CORPORATION, AS FOLLOWS:

Section 1. Based upon an examination of the Application and the EAF submitted to the Issuer by the Borrower with respect thereto (collectively, the “Reviewed Documents”) and, based upon said Reviewed Documents and the representations made by the Borrower to the Issuer at this meeting, and based further upon the Issuer’s knowledge of the area surrounding the Project Facility and such further investigation of the Initial Project and its environmental effects as the Issuer has deemed appropriate, the Issuer makes the following findings and determinations with respect to the Initial Project:

(A) The Initial Project consists of the following: (A) the refinancing of a commercial loan, the proceeds of which were used for the refunding of the Issuer’s Multi-Mode Refunding Revenue Bonds (The Mary Imogene Bassett Hospital Project), Series 2011B in the original aggregate principal amount of \$19,200,000 (the “Series 2011B Bonds”) issued on November 2, 2011, which Series 2011B Bonds were issued to finance a portion of the following project: (1) the refinancing and/or refunding of the County of Otsego Industrial Development Agency Multi-Mode Variable Rate Civic Facility Revenue Bonds (The Mary Imogene Bassett Hospital Project – Letter of Credit Secured), Series 2007A in the aggregate principal amount of \$20,000,000 (the “Series 2007A Bonds”), which Series 2007A Bonds were issued for the purpose of: (a) the acquisition of an interest in a parcel of land located at One Atwell Road,

in the Village of Cooperstown, Otsego County, New York (the “Series 2007A Land”), together with a portion of two existing buildings located thereon and more particularly described as follows: (i) an interest in approximately 46,420 square feet of a building commonly referred to as Building 6, and (ii) an interest in approximately 200,250 square feet of a building commonly referred to as Building 9 (collectively, the “Series 2007A Facility”); (b) the renovation and reconstruction of the Series 2007A Facility; (c) the acquisition and installation therein and thereon of machinery and equipment (the “Series 2007A Equipment”) (the Series 2007A Land, the Series 2007A Facility and the Series 2007A Equipment hereinafter collectively referred to as the “Series 2007A Project Facility”); and (d) payment of issuance costs relating to the Series 2007A Bonds; and (2) the payment of issuance costs relating to the Series 2011B Bonds; (B) the refunding of the Issuer’s Tax-Exempt Multi-Mode Revenue Bonds (The Mary Imogene Bassett Hospital Project), Series 2015A in the original aggregate principal amount of \$23,600,000 (the “Series 2015A Bonds”) issued on August 21, 2015, which Series 2015A Bonds were issued to finance a portion of the following project: (1) the refinancing and/or refunding, in whole, of the County of Otsego Industrial Development Agency Civic Facility Revenue Bonds (Bassett Healthcare Obligated Group – Outpatient Clinic Project), Series 1998A in the original aggregate principal amount of \$15,000,000 (the “Series 1998A Bonds”) and Civic Facility Revenue Bonds (Bassett Healthcare Obligated Group Project), Series 1998B in the original aggregate principal amount of \$14,900,000 (the “Series 1998B Bonds”) (collectively, the “Series 1998 Bonds”), which Series 1998 Bonds were issued for the purpose of: (a) the financing and/or refinancing various capital projects located at One Atwell Road in the Village of Cooperstown, Otsego County, New York (the “Series 1998 Facility”), said Series 1998 Facility being operated by the Borrower as an acute care hospital facility, an outpatient clinic and other directly and indirectly related uses; (b) the acquisition and installation of an electronic medical records system at the Borrower’s campus located at One Atwell Road in the Village of Cooperstown, Otsego County, New York (the “Campus”) and at an additional facility of the Borrower located at 4773 State Highway 28 in the Town of Hartwick, Otsego County, New York, including, among other things, the replacement of and installation of various computer equipment, computer software systems, software licenses and maintenance/support, special project capability and programming services (collectively, the “Series 1998 Improvements”) (the Series 1998 Improvements and the Series 1998 Facility hereinafter collectively referred to as the “Series 1998 Project Facility”); and (c) the payment of issuance costs relating to the Series 1998 Bonds; and (2) the payment of issuance costs relating to the Series 2015A Bonds; (C) the acquisition and installation of certain machinery and equipment at the Campus (the “Series 2018 Improvements”) (the Series 2007A Project Facility, the Series 1998 Project Facility and the Series 2018 Improvements hereinafter referred to as the “Initial Project Facility”); (D) the financing of all or a portion of the costs of the foregoing by the issuance of revenue bonds of the Issuer in one or more issues or series in an aggregate principal amount sufficient to pay the cost of undertaking the Initial Project, together with necessary incidental costs in connection therewith, presently estimated to not exceed \$65,000,000 but in any event not to exceed \$69,500,000 (the “Obligations”); (E) the payment of a portion of the costs incidental to the issuance of the Obligations, including issuance costs of the Obligations and any reserve funds as may be necessary to secure the Obligations; and (F) the making of a loan (the “Loan”) of the proceeds of the Obligations to the Borrower or such other person as may be designated by the Borrower and agreed upon by the Issuer; and

(B) The Initial Project consists of (1) the purchase of equipment and (2) the refinancing of existing debt.

Section 2. Based upon the foregoing, the Issuer makes the following findings and determinations with respect to the Initial Project:

(A) Pursuant to Sections 617.5(c)(23) and (25) of the Regulations, the Initial Project is a “Type II action” (as said quoted term is defined in the Regulations); and

(B) Therefore, the Issuer hereby determines that no environmental impact statement or any other determination or procedure is required under the Regulations.

Section 3. The Chief Executive Officer of the Issuer is hereby directed to file a copy of this Resolution with respect to the Initial Project in the office of the Issuer.

Section 4. This Resolution shall take effect immediately.

The question of the adoption of the foregoing Resolution was duly put to a vote on roll call, which resulted as follows:

Richmond Hulse, Jr.	VOTING
Jeff Joyner	VOTING
Craig Gelbsman	VOTING
Jeffrey C. Lord	VOTING
Tom Armao	VOTING
Patricia Kennedy	VOTING
Cheryl Robinson	VOTING
Andrew Marietta	VOTING

The foregoing Resolution was thereupon declared duly adopted.

[Remainder of page left blank intentionally]

STATE OF NEW YORK)
) SS.:
COUNTY OF OTSEGO)

I, the undersigned (Assistant) Secretary of Otsego County Capital Resource Corporation (the “Issuer”), DO HEREBY CERTIFY that I have compared the foregoing annexed extract of the minutes of the meeting of the members of the Board of Directors of the Issuer (the “Board of Directors”), including the resolution contained therein, held on October 25, 2018 with the original thereof on file in my office, and that the same is a true and correct copy of said original and of such resolution contained therein and of the whole of said original so far as the same relates to the subject matters therein referred to.

I FURTHER CERTIFY that (A) all members of the Board of Directors had due notice of said meeting; (B) said meeting was in all respects duly held; (C) pursuant to Article 7 of the Public Officers Law (the “Open Meetings Law”), said meeting was open to the general public, and due notice of the time and place of said meeting was duly given in accordance with such Open Meetings Law; and (D) there was a quorum of the members of the Board of Directors present throughout said meeting.

I FURTHER CERTIFY that, as of the date hereof, the attached resolution is in full force and effect and has not been amended, repealed or rescinded.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Issuer this 25th day of October, 2018.

(Assistant) Secretary

(SEAL)