



The Board of Directors of University Hospital

Special Meeting
August 20, 2019
1:00 p.m.

University Hospital
150 Bergen Street, Conference Room D-212
Newark, New Jersey

Present via teleconference: Tanya L. Freeman, Esq., Chair; Cecile A. Feldman, DMD, MBA; Keith H. Green; Robert L. Johnson, MD, FAAP; David T. Molowa, PhD; Robert J. Rubino, MD; Brian L. Strom, MD, MPH

Absent: Mary O'Dowd, MPH

Guests: Michael Kornitas, Rutgers University; Jerry Ostow, Esq.; Shailesh Patel, Rutgers University; Matthew Peterson, Rutgers University; and Michael Sullivan, Rutgers University

I. Opening

Chairwoman Freeman opened the meeting and welcomed all in attendance. At the direction of Chairwoman Freeman, Ms. Tammy Robinson read University Hospital's statement of compliance with the Senator Byron M. Baer Open Public Meetings Act and the New Jersey Medical and Health Sciences Education Restructuring Act, and called the roll. With a quorum of members present, the meeting was called to order at 1:05 p.m.

II. Public Comment

Chairwoman Freeman noted that no public comment was requested.

III. Proposed Action(s)

Chairwoman Freeman presented for approval Resolution 2019-0820-81, Authorization pertaining to the financing, construction, maintenance and on-going operation of a new electrical and thermal energy power system.

Ms. Eve Borzon, Chief Operating Officer, provided brief background information regarding the turbine cogeneration upgrade project. She stated that the current equipment plant was assessed to be beyond its useful life and required replacement. Ms. Borzon reported that the hospital applied for and received partial grant funding to advance the project in collaboration with Rutgers University, the owner of the power plant. In partnership with Rutgers University, the cogeneration project will improve reliability and efficiency, reduce costs, emissions and water

usage, as well as produce energy credits. Ms. Borzon introduced Shailesh Patel, Director, Project Services for Rutgers University who presented a Power Point presentation that provided additional information regarding the benefits and efficiencies the cogeneration plant upgrade. In response to an inquiry from Dr. Rubino regarding the use of fuel cell technology, Mr. Patel stated that fuel cell technology was researched but would be inadequate for the Hospital's and Rutgers consumption requirements.

In further discussion, Mr. Thomas Daly, Chief Financial Officer, provided an overview of the project budget and funding schedule. Mr. Daly reported that the financial obligation of the project would be split between University Hospital and Rutgers University based on the current sharing arrangement of the Continuing Services Agreement. He stated that since the actual expenses of the plant would be reflected on the balance sheet of University Hospital, Rutgers would provide monthly reimbursement for their portion. Mr. Daly also stated there was no indication that this project would negatively impact the Hospital's current bond rating. Dr. Elnahal added that the Hospital anticipates meeting with representatives from Fitch rating agency to update them on the project and its potential positive financial impact for the Hospital. Additionally, Dr. Elnahal emphasized that this project is important for stabilizing the Hospital's thermal energy requirements going into the future.

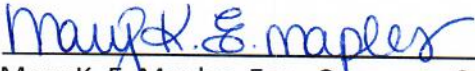
Chairwoman Freeman accepted a motion, duly seconded, for approval of Resolution No. 2019-0820-81. The motion was approved by unanimous vote of the directors.

V. Adjournment

There being no further business, the Special Meeting of the Board of Directors of University Hospital adjourned at 1:25 p.m.

CERTIFICATION

I, Mary K. E. Maples, Esq., Corporate Secretary of University Hospital, do hereby certify that the foregoing is a true and correct copy of the Minutes of the Meeting of the University Hospital Board of Directors held on August 20, 2019.



Mary K. E. Maples, Esq., Corporate Secretary