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The following constitutes  
the order of the court. Signed August 7, 2017

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Roger L. Efremsky  
U.S. Bankruptcy Judge

WEST CONTRA COSTA HEALTHCARE  
DISTRICT

**UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF CALIFORNIA  
OAKLAND DIVISION**

In re:  
WEST CONTRA COSTA HEALTHCARE  
DISTRICT.

Debtor.

Tax ID: 94-6003145

Case No. 16-42917 – RLE

Chapter 9

**ORDER: (1) APPROVING THE ADEQUACY OF THE DISTRICT'S FIRST AMENDED DISCLOSURE STATEMENT DESCRIBING DISTRICT'S FIRST AMENDED PLAN FOR THE ADJUSTMENT OF DEBTS DATED JULY 21, 2017; (2) SETTING DATE AND TIME OF THE HEARING TO CONSIDER CONFIRMATION OF DISTRICT'S FIRST AMENDED PLAN FOR THE ADJUSTMENT OF DEBTS DATED JULY 21, 2017; (3) ESTABLISHING THE LAST DAY TO VOTE ON OR OBJECT TO CONFIRMATION OF DISTRICT'S PLAN; AND (4) ESTABLISHING OTHER CONFIRMATION PROCEDURES**

Hearing:

Date: July 25, 2017

Time: 1:30 p.m.

Place: Courtroom 201

1300 Clay Street, Suite 300  
Oakland, CA 94604-2070

DENTONS US LLP  
601 S. FIGUEROA STREET, SUITE 2500  
LOS ANGELES, CALIFORNIA 90017-5704  
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1 THIS MATTER came before the Court at the above-referenced time and place upon  
2 consideration of the *First Amended Disclosure Statement Describing The First Amended Plan For*  
3 *The Adjustment Of Debts Dated July 21, 2017* (the “Disclosure Statement”) proposed by West  
4 Contra Costa Healthcare District, a California Local Health Care District and the debtor in the  
5 above-captioned Chapter 9 case (the “District”).

6 Upon consideration of the Disclosure Statement and the documents filed in support  
7 thereof, the various objections thereto and the reply to the objections filed by the District, it  
8 appearing to the Court that the Disclosure Statement contains “adequate information” with respect  
9 to the District’s *First Amended Plan For The Adjustment Of Debts Dated July 21, 2017* (the  
10 “Plan”) as required by 11 U.S.C. § 1125, and it appearing further that notice of the hearing to  
11 consider the Disclosure Statement was due and proper under the circumstances, and upon  
12 consideration of the arguments and representations of counsel at the hearing on the Disclosure  
13 Statement and the entire record in this case, and having found that good cause exists, it is hereby  
14 ORDERED, as follows:

15 (1) The Disclosure Statement [Doc. No. 146], with such modifications as stated on the  
16 record at the hearing, is hereby approved.

17 (2) All objections to the Disclosure Statement are hereby overruled, except as  
18 expressly provided herein. All confirmation objections raised in connection with the Disclosure  
19 Statement are expressly preserved for confirmation.

20 (3) On or before **August 11, 2017**, a copy of this Order, the Disclosure Statement (as  
21 modified), the Plan (as modified), a cover letter from the District, a letter by the Committee of  
22 Unsecured Creditors in support of the Plan (if provided to the District), and, subject to the  
23 provisions of paragraph 10 below with respect to special balloting procedures for the COPs (as  
24 defined below), a ballot conforming to Official Form 14 (together, the “Solicitation Package”) <sup>2</sup>  
25 shall be mailed to creditors and other parties in interest, and shall be transmitted to the United  
26 States trustee, as provided in Fed. R. Bankr. P. 3017(d), except as otherwise provided in paragraph  
27 4 below.

28 (4) Only parties in interest that hold an impaired claim against the District shall be

entitled to vote on the Plan. First, any party in interest not listed in the District's amended list of creditors filed in accordance with 11 U.S.C. § 924, which party has not filed a proof of claim in this case, shall be deemed a "Non-Voting Notice Party" who is entitled to notice of this Order but who is not entitled to vote on the Plan. Second, any party in interest who was listed in the District's amended list of creditors, but whose claim was listed as contingent, disputed, or unliquidated, shall be deemed a Non-Voting Notice Party entitled to notice of this Order but not entitled to vote on the Plan, unless such party filed a proof of claim in this case. Third, any holder of a claim that is unimpaired by the Plan (and who is therefore conclusively presumed to accept the Plan), shall be deemed a Non-Voting Notice Party entitled to notice of this Order but not entitled to vote on the Plan. The District shall send each Non-Voting Notice Party a copy of this Order, but shall not be obligated to send a Solicitation Package to any Non-Voting Notice Party. If any Non-Voting Notice Party believes that it has an impaired claim against the District, and believes that it should be entitled to vote on the Plan, then such Non-Voting Notice Party may request a Solicitation Package and a ballot by contacting the District's counsel, Gary Marsh, Esq., by email at [gary.marsh@dentons.com](mailto:gary.marsh@dentons.com) (with a reference to "West Contra Costa Healthcare District" in the subject line) or by telephone at (404) 527-4150. All rights of the District to oppose any vote of a Non-Voting Notice Party are preserved, and may be addressed at the confirmation hearing.

(5) In order to be valid and counted, ballots accepting or rejecting the Plan shall be properly executed, completed, and delivered by either first-class mail, overnight courier, or hand delivery so that such ballots are actually received by **no later than 5:00 p.m. (prevailing Eastern Time) on September 18, 2017** (the "Voting Deadline"), to:

GARY W. MARSH  
DENTONS US LLP  
303 Peachtree Street, Suite 5300  
Atlanta, GA 30308

The District, in its discretion, may agree to extend the Voting Deadline for one or more creditors.

(6) Objections, if any, to confirmation of the Plan (each, an "Objection"), shall be filed with the Court and served upon counsel for the District and all other parties entitled to receive such filings, by **September 18, 2017** (the "Objection Deadline"). Any Objection shall be

1 accompanied by a brief in support thereof.

2 (7) Any party filing an Objection to the Plan shall by no later than **September 18,**  
3 **2017**: (i) file and serve on counsel for the District a list of any witnesses the objecting party  
4 intends on calling at the confirmation hearing scheduled below, as well as a list of any documents  
5 the objecting party intends on introducing as evidence or otherwise using at the confirmation  
6 hearing; and (ii) deliver to counsel for the District copies of any documents so identified.

7 (8) By **September 28, 2017**, the District shall file with the Court and cause to be  
8 served upon parties entitled to notice: (i) a brief in support of confirmation of the Plan, responding  
9 to any Objections; (ii) a ballot tabulation; and (iii) a list of any witnesses the District intends on  
10 calling at the confirmation hearing, as well as a list of any documents the District intends on  
11 introducing as evidence or otherwise using at the confirmation hearing. The District shall deliver  
12 to counsel for any objecting party copies of any documents so identified.

13 (9) A hearing on the confirmation of the Plan shall commence at **9:30 a.m. (prevailing**  
14 **Pacific Time)** on **October 12, 2017**, and shall continue for 2 days, unless earlier completed or  
15 adjourned.

16 (10) In resolution of the objection filed by U.S. Bank National Association (the  
17 “Trustee”) to the Disclosure Statement, in the Trustee’s capacity as trustee for holders of the 2004  
18 and 2011 certificates of participation (the “COPs”), it is hereby Ordered as follows: With respect  
19 to soliciting votes from the holders of the COPs, by no later than **August 1, 2017**, the Trustee shall  
20 provide to the District a list of all record holders maintained by DTC of the COPs, including  
21 without limitation, brokers, banks, dealers, and other agents or nominees (together, the “Record  
22 Holders”), complete with address information for the Record Holders. The record date for  
23 purposes of voting on the Plan by holders of COPs shall be July 31, 2017 or such later date  
24 reflected on the DTC List provided to the District by the Trustee. The District shall provide to the  
25 Record Holders: (i) the Solicitation Package; (ii) a Master Owner Ballot for Class 1; and (iii) a  
26 Beneficial Owner Ballot for Class 1 (collectively, the “COPs Solicitation Package”). By no later  
27 than **August 1, 2017**, the Trustee shall provide the District with templates of the Master Owner  
28 Ballot for Class 1 and Beneficial Owner Ballot for Class 1, which templates the District can use to

1 prepare such ballots for solicitation purposes. On or before **August 11, 2017**, the District shall  
2 distribute the COPs Solicitation Package to each Record Holder. The COPs Solicitation Package  
3 may be distributed to each Record Holder by electronic transmission, at the District's election.  
4 Each Record Holder shall promptly forward the COPs Solicitation Package to each of its  
5 beneficial holders of the COPs (each, a "Beneficial Holder") and cooperate with instructions, if  
6 any, from the District to accomplish such distribution, no later than three (3) business days after  
7 receipt of the COPs Solicitation Packages by the Record Holder. Record Holders shall obtain the  
8 votes of Beneficial Holders by forwarding the COPs Solicitation Package to each Beneficial  
9 Holder for whom it acts for voting, so that the Beneficial Holder may return its completed  
10 Beneficial Owner Ballot for Class 1 directly to its Record Holder in sufficient time for the Record  
11 Holder to prepare and complete the Master Owner Ballot and return the Master Owner Ballot to  
12 the District prior to the Voting Deadline. The Record Holders may distribute the COPs  
13 Solicitation Packages to Beneficial Holders in paper format or via electronic transmission in  
14 accordance with their customary practice. Record Holders shall summarize on the Master Owner  
15 Ballot the individual votes of their Beneficial Holders cast on the Beneficial Owner Ballots and  
16 then deliver the Master Owner Ballot, by no later than the Voting Deadline, to counsel for the  
17 District, as provided in paragraph 5 above. All Beneficial Holders shall return their ballots to their  
18 third-party Record Holders, and **shall not** send their ballots to counsel for the District.

19 (11) In resolution of the objection filed by Ambac Assurance Corporation ("Ambac"), it is  
20 hereby Ordered as follows: Notwithstanding the language in paragraph 4 above, on or before  
21 **August 11, 2017**, the District shall send the COPs Solicitation Package to Ambac. Ambac shall  
22 be entitled to submit a vote to accept or reject the Plan, with respect to the 2004 COPs only.  
23 Ambac shall submit its vote, if any, to counsel for the District in accordance with paragraph 5  
24 above. That Ambac is hereby entitled to receive the COPs Solicitation Package and to submit a  
25 vote with respect to the 2004 COPs in no way diminishes any right of Beneficial Holders of the  
26 2004 COPs to submit votes (through their Record Holders) to accept or reject the Plan, in  
27 accordance with the procedures set forth above in paragraph 10. This Order is not determinative  
28 of Ambac's position that it has the sole right to vote on the 2004 COPs or Ambac's rights to

1 object to the votes of any of the 2004 Beneficial Holders and Ambac's rights are expressly  
2 reserved. All parties' rights to contest the propriety or effect of any vote are hereby preserved for  
3 consideration at the confirmation hearing.

4 (12) Notwithstanding the foregoing, Verizon Wireless reserves the right to vote on the  
5 Plan and the District reserves the right to object to any such vote. In the event the court rules that  
6 Verizon Wireless does not have the right to vote on the Plan or in the event that Verizon Wireless  
7 does not vote on the Plan, neither of the foregoing shall constitute acceptance of the Plan by  
8 Verizon Wireless. In the event that the parties have resolved their disputes and the court has  
9 entered an order approving the compromise before or in connection with the entry of the  
10 confirmation order (if any), such compromise order shall govern the resolution of the issues  
11 between the District and Verizon Wireless.

12 APPROVED AS TO FORM:

13  
14 Fox Rothschild LLP

Sheppard, Mullin, Richter and Hampton

15 /s/ Michael A. Sweet (w/express permission)

/s/ Theodore A. Cohen (w/express permission)

16 Michael A. Sweet, Esq.

Theodore A. Cohen, Esq.

17 Counsel for the Official Committee of Unsecured  
18 Creditors

Counsel for US Bank National, As  
Trustee

19 McGuire Woods LLP

20 /s/ Payam Khodadi (w/express permission)

21 Payam Khodadadi, Esq.

22 Counsel for GTE Mobilnet of California Limited  
23 Partnership dba Verizon Wireless

24 /s/ Karol K. Denniston (w/express permission)

25 Karol K. Denniston, Esq.

Counsel for Ambac Assurance Corporation

26 \*\*\*

27 END OF ORDER  
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**COURT SERVICE LIST**

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ECF Participants