
**APPROVAL OF SECOND AMENDED
BANKRUPTCY PLAN OF ADJUSTMENT**

Agenda Item 10

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

SAMUEL R. MAIZEL (Bar No. 189301)
samuel.maizel@dentons.com
DENTONS US LLP
601 South Figueroa Street, Suite 2500
Los Angeles, CA 90017-5704
Telephone: (213) 623 9300
Facsimile: (213) 623 9924

GARY W. MARSH (*pro hac vice*)
gary.marsh@dentons.com
DAVID GORDON (*pro hac vice*)
david.gordon@dentons.com
DENTONS US LLP
303 Peachtree Street, Suite 5300
Atlanta, GA 30308
Telephone: (404) 527 4000
Facsimile: (404) 527 4198

Attorneys for Debtor

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

~~FIRST~~SECOND AMENDED PLAN FOR THE
ADJUSTMENT OF DEBTS DATED JULY 21,
2017

TABLE OF CONTENTS

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

	Page
ARTICLE I. DEFINITIONS	1
1.1 Defined Terms	1
1.2 Interpretation, Rules of Construction, Time	7
1.2.1 Interpretation	78
1.2.2 Time	8
ARTICLE II. DESIGNATION OF CLASSES OF CLAIMS SPECIFICATION OF STATUS AS IMPAIRED OR UNIMPAIRED	8
2.1 Secured Claims of the COPs Holders (Class 1)	8
2.2 Unsecured Claim and Contractual Rights of the County Under the Tax Sharing Agreements (Class 2)	8
2.3 WCCHD Successor Pension Plan Claims (Class 3)	8
2.4 CNA Claim (Class 4)	8
2.5 General Unsecured Claims (Class 5)	8
2.6 EDD Claim (Class 6)	9
2.7 Local 39 Claim (Class 7)	9
ARTICLE III. TREATMENT OF NON-CLASSIFIED CLAIMS	9
3.1 General Administrative Claims	9
3.2 Professional Fees	9
ARTICLE IV. TREATMENT OF CLAIMS	10
4.1 Class 1 (Secured Claims of the COPs Holders)	10
4.2 Class 2 (Unsecured Claim and Contractual Rights of the County Under the Tax Sharing Agreements)	11
4.3 Class 3 (WCCHD Successor Pension Plan Claims)	11
4.4 Class 4 (CNA Claim)	12
4.5 Class 5 (General Unsecured Claims)	12

1	4.6	Class 6 (EDD Claim):	12
2	4.7	Class 7 (Local 39 Claim):	13
3		ARTICLE V.	13
4	5.1	Creation of the Reorganized District	13
5	5.2	Governance of the Reorganized District	13
6	5.3	Repayment of Creditors	13
7	5.4	Return to Provision of Healthcare Services	13
8		ARTICLE VI. MEANS FOR IMPLEMENTATION OF THE PLAN	14
9	6.1	Sale of the Hospital:	14
10	6.2	The Disputed Claims Reserve	14
11	6.3	Distributions to Holders of Allowed Claims	14
12	6.3.1	Effective Date Payments	1415
13	6.3.2	Distributions to Allowed Claims in Class 1	15
14	6.3.3	Distributions to Allowed Claims in Class 2	15
15	6.3.4	Distributions to Allowed Claims in Class 3	15
16	6.3.5	Distributions to Allowed Claims in Class 4	15
17	6.3.6	Distributions to Allowed Claims in Class 5	16
18	6.3.6.1	Initial Distribution	16
19	6.3.6.2	Subsequent Distributions	16
20	6.3.6.3	Final Distribution	16
21	6.3.7	Distributions to Allowed Claims in Class 6	16
22	6.3.8	Distributions To Allowed Claim in Class 7	16
23	6.4	Postconfirmation Operations	1617
24	6.4.1	The Creditors' Committee	1617
25	6.4.2	Non-Classified Claims Bar Date	17
26	6.4.3	Consequences of Untimely Administrative Claim	17
27	6.5	Professional Fees	17
28			

1	6.6	Treatment of Disputed Claims	17
2		<u> 17</u>	
3			
4	6.6.1	Disputed Claims Reserve	17
5	6.7	Calculation of Appropriate Reserves	18
6	6.8	Treatment of Unclaimed Property	18
7	6.9	<i>De Minimis</i> Distributions and Rounding of Distributions	18
8		ARTICLE VII. EFFECT OF CONFIRMATION	18
9	7.1	Discharge of the District	18
10	7.2	Injunction	19
11	7.3	Term of Existing Injunctions or Stays	20
12	7.4	Release and Indemnification of the Board of Directors and Officers of the District	20
13			
14	7.5	Exculpation-	21
15	7.6	Plan Binding	21
16		ARTICLE VIII. VESTING OF TITLE	21
17		ARTICLE IX. RETENTION AND ENFORCEMENT OF CLAIMS	21
18		ARTICLE X. TREATMENT OF EXECUTORY CONTRACTS AND UNEXPIRED LEASES	22
19			
20	10.1	Assumed Executory Contracts and Unexpired Leases	22
21	10.2	Cure of Prepetition Default Amounts	22
22	10.3	Rejection of Crown Castle Successor Lease-	23
23	10.4	Rejection of Executory Contracts and Unexpired Leases	23
24	10.5	Claims Arising from the Rejection of Executory Contracts and Unexpired Leases	23
25			
26	10.6	Settlements With Cellular Rights Parties	23
27		ARTICLE XI. MODIFICATION OF PLAN	2324
28		ARTICLE XII. USE OF BANKRUPTCY CODE SECTION 1129(b)	24

1 **ARTICLE XIII. RETENTION OF JURISDICTION** 24

2 ~~• Determination of the allowability and classification of Claims upon requests for~~
3 ~~payment of Claims or upon the objection by the Reorganized District to such~~
4 ~~Claims; 24~~

5 ~~• Resolution of controversies and disputes regarding interpretation of this Plan or~~
6 ~~the Confirmation Order; 24~~

7 ~~• Implementation of the provisions of this Plan or the Confirmation Order, and~~
8 ~~entry of orders in aid of Confirmation including orders to protect the~~
9 ~~Reorganized District or persons included in Subsections 7.2, 7.4, and 7.5 of the~~
10 ~~Plan from creditor action enjoined pursuant to Confirmation; 24~~

11 ~~• Enforcement of the terms of the Plan against the Trustee and Cellular Rights~~
12 ~~Parties; 24~~

13 ~~• Modification of the Plan pursuant to section 1127 of the Bankruptcy Code; 24~~

14 ~~• Adjudication of any Claims or causes of action, including Avoidance Actions,~~
15 ~~brought by the Reorganized District, or any claims or causes of action brought~~
16 ~~against the Reorganized District; and 24~~

17 ~~• Entry of an order closing the Chapter 9 Case. 25~~

18 **EXHIBIT 1 Executory Contracts and Unexpired Leases to be Assumed & Associated**
19 **Cure Payments**

20
21
22
23
24
25
26
27
28

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

ARTICLE I.
DEFINITIONS

1.1 **Defined Terms.**

The following definitions apply in this Plan:

“2004 COPs Holders” means the holders of those certain 2004 Certificates of Participation evidencing a direct, undivided, fractional interest of the owners thereof in certain payments to be made by the District in accordance with the COPs Documents.

“2011 COPs Holders” means the holders of those certain 2011 Certificates of Participation evidencing a direct, undivided, fractional interest of the owners thereof in certain payments to be made by the District in accordance with the COPs Documents.

“928(b) Order” means the *Order Pursuant to Bankruptcy Code Section 928(b) Authorizing the Use of Special Revenues to Fund Operations* entered by the Bankruptcy Court on January 11, 2017 [Docket No. 62], as amended by the *Amended Order Pursuant to Bankruptcy Code Section 928(b) Authorizing the Use of Special Revenues to Fund Operations* entered by the Bankruptcy Court on January 13, 2017 [Docket No. 68].

“*Ad Valorem* Revenues” means all revenues derived by the District from the *ad valorem* property tax revenues collected by the County on behalf of the District.

“Allowed Claim” means a Claim against the District to the extent that:

1. A proof of such Claim was:

a. Timely filed; or

b. Deemed filed because such Claim was included on the District’s *List of Creditors and Claims Pursuant to 11 U.S.C. §§ 924 and 925* filed on November 11, 2016, as amended, unless such claim was listed therein as disputed, unliquidated, or contingent, and

2. Such Claim is:

a. Not a Disputed Claim; or

b. Allowed, and only to the extent allowed, by the Plan, a compromise approved pursuant to the Notice Procedure established in Article VI of the Plan, or a Final Order.

“AMBAC” means Ambac Assurance Corporation.

1 "AT&T" means New Cingular Wireless d/b/a AT&T Mobility.

2 "Avoidance Actions" means all causes of actions under sections 506(c), 510, 544, 545,
3 547, 548, 549, 550 and 553 of the Bankruptcy Code, whether or not such actions seek an
4 affirmative recovery or are raised as a defense to or offset against the allowance of a Claim.

5 "Bankruptcy Code" means Title 11 of the United States Code.

6 "Bankruptcy Court" means the United States Bankruptcy Court for the Northern District
7 of California or, in the event such court ceases to exercise jurisdiction over the Chapter 9 Case,
8 such court or adjunct thereof which thereafter exercises jurisdiction over the Chapter 9 Case.

9 "Bar Date" means January 31, 2017, the deadline set by the Bankruptcy Court for filing
10 Proofs of Claims against the District.

11 "Cash" means cash and cash equivalents including, but not limited to, checks and other
12 similar forms of payment or exchange.

13 "Cell Boxes" means all equipment placed on the roof of the Hospital or on any of the real
14 property of the Hospital used by Verizon and AT&T for purposes of providing cellular coverage
15 to their customers.

16 "Cellular Rights Parties" means GTE Mobilnet of California Limited Partnership, d/b/a
17 Verizon Wireless, Wireless Capital Partners, LLC, MW Cell REIT 1 LLC, and New Cingular
18 Wireless d/b/a AT&T Mobility.

19 "Chapter 9 Case" means this Chapter 9 Case filed by the District on October 20, 2016.

20 "Claim" means any right to payment, whether or not such right is reduced to judgment,
21 liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal,
22 equitable, secured, or unsecured; or any right to an equitable remedy for breach of performance, if
23 such breach gives rise to a right to payment, whether or not such right to an equitable remedy is
24 reduced to judgment, fixed, contingent, matured, unmatured, disputed, undisputed, secured, or
25 unsecured.

26 "CNA" means the California Nurses Association.

27 "CNA Claim" means the claims in the amount of \$5,119,006.00 held by CNA with respect
28 to obligations owed by the District to CNA pursuant to that certain Memorandum of

1 Understanding between the District and the California Nurses Association dated June 14, 2011 as
2 further described in the proof of claim filed by CNA [Claim No. 235].

3 "Committee" means the Official Committee of Unsecured Creditors appointed in the
4 Chapter 9 Case on March 21, 2017, as amended on May 17, 2017, pursuant to section 1102(a) of
5 the Bankruptcy Code, as it may be reconstituted from time to time.

6 "Confirmation" means entry of the Confirmation Order.

7 "Confirmation Hearing" means the hearing to determine whether the Bankruptcy Court
8 will confirm the Plan, scheduled for October 12 and 13, 2017, at 9:30 a.m. Pacific Time in the
9 Courtroom of the Honorable Roger L. Efremsky, Courtroom 201 at 1300 Clay Street, Oakland,
10 California, 94612.

11 "Confirmation Order" means the order of the Bankruptcy Court, as entered, confirming
12 the Plan.

13 "COPs Amortization Table" shall mean the Schedule attached as "Exhibit C" to the
14 Disclosure Statement setting forth the payments to be made by the Reorganized District to the
15 COPs Holders pursuant to this Plan.

16 "COPs Documents" means all documents entered into by and between the District, the
17 Trustee, and WCCHD Financing Corporation in connection with the 2004 COPs and 2011 COPs
18 including, without limitation, the Installment Sale Agreements dated July 1, 2004, and December
19 1, 2011, between the District and WCCHD Financing Corporation and the Trust Agreements
20 dated July 1, 2004, and December 1, 2011, among the District, the Trustee and WCCHD
21 Financing Corporation.

22 "COPs Holders" means the 2004 COPs Holders and the 2011 COPs Holders.

23 "County" means the County of Contra Costa.

24 "Crown Castle" means Wireless Capital Partners, LLC and MW Cell REIT 1 LLC.

25 "Crown Castle Successor Lease" means all rights of Crown Castle under those certain
26 Purchase and Sale of Easement and Lease and Successor Lease documents dated July 6, 2005,
27 including, without limitation, any easements related thereto.
28

1. "Cure Payment" means a Claim asserted by the nondebtor party to an executory contract
2 or unexpired lease that is assumed by the Reorganized District (and listed on Exhibit A to this
3 Plan) on account of any defaults under such contract or lease, pursuant to sections 365(b)(1)(A),
4 (B) and (C) of the Bankruptcy Code, as a condition to the assumption of such contract or lease.

5 "Designated Responsible Individual" means the District's Board of Directors and each
6 member of District's staff, including consultants and independent contractors, who have served
7 the District during the pendency of the Chapter 9 case, including: William van Dyk, Deborah
8 Campbell, Irma Anderson, Nancy Casazza, Beverly Wallace, Eric Zell, Kathy D. White, Harold
9 Emahiser, Julie Ahr Johnson, Bobbie Ellerston, and Vickie Scharr.

10 "Disclosure Statement" means the *First Amended Disclosure Statement for the Plan for*
11 *the Adjustment of Debts Dated July 21, 2016* filed contemporaneously herewith.

12 "Disputed Claim" means any claim that: (1) was listed on the *District's List of Creditors*
13 *and Claims Pursuant to 11 U.S.C. §§ 924 and 925* [Docket No. 21], as amended, as contingent,
14 unliquidated, or disputed; or (2) that is or becomes the subject of a claim objection by the District
15 or by any other party in interest.

16 "Distribution(s)" means the Cash or property to be distributed to holders of Allowed
17 Claims in accordance with the Plan.

18 "District" means the West Contra Costa Healthcare District, a subdivision of the State of
19 California, formed in 1948.

20 "EDD" means the Employment Development Department of the State of California.

21 "Effective Date" means: (a) the first business day following Confirmation; (b) such other
22 later date as the District shall fix, which shall be not more than sixty (60) calendar days following
23 Confirmation; or (c) such other date as the Bankruptcy Court shall order; and, in any event, the
24 Reorganized District shall file a Notice of Effective Date with the Bankruptcy Court and serve it
25 on the Committee upon the occurrence of the Effective Date.

26 "Ex Parte Order" means the *Order Granting Ex Parte Application for Order: (1)*
27 *Directing and Approving Form of Notice; (2) Setting Deadline for Filing Objections to Petition;*
28

1 (3) *Setting Deadline for Filing List of Creditors*; (4) *Setting Deadline for Filing Proofs of Claims*;
2 *and (5) Limiting Notice* entered by the Bankruptcy Court on October 25, 2016 [Docket No. 12].

3 "Excess Parcel Tax Proceeds" means all Parcel Tax Revenues held by the Trustee or
4 required to be paid to the Trustee under the COPs Documents that are not necessary to make
5 payments to the COPs Holders during the immediate calendar year under the schedule set forth in
6 the COPs Amortization Table.

7 "Final Order" means an order or judgment of the Bankruptcy Court as to which: (i) the
8 time to appeal, petition for certiorari, or move for reargument or rehearing has expired and as to
9 which no appeal, petition for certiorari, or proceedings for reargument or rehearing shall then be
10 pending; or (ii) in the event that an appeal, writ of certiorari, reargument or rehearing thereof has
11 been sought, such order or judgment of the Bankruptcy Court shall have been affirmed by the
12 highest court to which such order or judgment was appealed, or from which reargument or
13 rehearing was sought, or certiorari has been denied, and the time to take any further appeal,
14 petition for certiorari or move for reargument or rehearing shall have expired.

15 "Hospital" means Doctors Medical Center in San Pablo, California, formerly known as
16 Brookside Hospital, and all of the real property upon which Doctors Medical Center is located.

17 "LAFCO" means the Contra Costa Local Agency Formation Commission.

18 "Lien" means charge against or interest in property to secure payment of a debt or
19 performance of an obligation.

20 "Local 39" means the Stationary Engineers Local 39 Pension ~~trust~~ Trust Fund and, the
21 Stationary Engineers Local 39 Health and Welfare Trust Fund and the Stationary Engineers
22 Apprenticeship and Training Trust Fund.

23 "Local 39 Chapter 5 Claim" means a claim for \$943.00 [Claim No. 246].

24 "Local 39 Claim" means a claim for \$483,691.11 [Claim No. 240].

25 "Local 39 Pension Claim" means a claim for ~~\$314,809.87~~ 354,108.53.

26 "Local 39 Health Claim" means a claim for ~~\$73,934.84~~ 106,626.61.

27 "LRC" means Lytton Rancheria of California.
28

1 “Matrix” means MG Trust Company, LLC d/b/a Matrix Trust Company, as trustee of the
2 WCCHD Successor Pension Plan Trust.

3 “Mid-America” means MidAmerica Administrative & Retirement Solutions, as benefits
4 administrator for the beneficiaries of the CNA Claim.

5 “Non-Classified Claims” means Claims of the type that the Bankruptcy Code provides
6 shall not be put into classes. These Claims are described in Article III of the Plan.

7 “Notice of Commencement” means the *Notice of Commencement of Case Under Chapter*
8 *9, Notice of Automatic Stay, Notice of Deadline for Filing Objections to the Petition, Notice of*
9 *Deadline for Filing Proofs of Claims, and Related Orders* approved by the Bankruptcy Court
10 pursuant to the *Ex Parte* Order.

11 “Order for Relief” means the *Order for Relief Pursuant to 11 U.S.C. § 921* entered by the
12 Bankruptcy Court on January 11, 2017 [Docket No. 61].

13 “Parcel Tax” means the special parcel tax approved by the voters of the District at a
14 special election held on June 8, 2004.

15 “Parcel Tax Reserve” means all Parcel Tax Revenues held by the Trustee pursuant to the
16 Parcel Tax Documents in order to provide for payments to the COPs holders in the immediately
17 following calendar year.

18 “Parcel Tax Revenues” means all revenues derived from the Parcel Tax.

19 “Patient Records Order” means the *Order Authorizing the Disposal of Patient Records*
20 entered by the Bankruptcy Court on January 18, 2017.

21 “Petition Date” means October 20, 2016.

22 “Plan” means this ~~First~~Second Amended Plan for the Adjustment of Debts filed by the
23 District on July 21, 2017, as it may be amended from time to time.

24 “*Pro Rata*” means proportionately so that the ratio of the value of the Distribution on
25 account of an Allowed Claim in a class to the aggregate Distributions on account of all Allowed
26 Claims in the class is the same as the ratio of such Allowed Claim to the aggregate amount of all
27 Allowed Claims in the class.

28

1 “Record Date” means the date as of which it will be determined for the purpose of Federal
2 Rule of Bankruptcy Procedure 3018: (a) which holders of Claims will be entitled to vote to
3 accept or reject the Plan and receive a ballot; and (b) whether Claims have been properly assigned
4 or transferred to an assignee pursuant to Bankruptcy Rule 3001(e) such that the assignee can vote
5 as the holder of the Claim. The Record Date is July 31, 2017 or such other date reflected on the
6 DTC participant listed provided to the District by the Trustee if different than July 31, 2017.

7 “Reorganized District” means the District on and after the Effective Date of the Plan.

8 “Tax Sharing Agreements” shall mean all agreements between the District and the County
9 regarding the allocation of *Ad Valorem* Revenues between the District and County including,
10 without limitation, the Second Amendment to Amended and Restated Second Agreement for
11 Property Tax Transfer from West Contra Costa Healthcare District to Contra Costa County dated
12 May 3, 2016, and the First Amendment to Third Agreement for Property Tax Transfer from West
13 Contra Costa Healthcare District to Contra Costa County dated May 3, 2016.

14 “Trustee” means U.S. Bank, National Association, not in its individual capacity but as
15 Trustee for the COPs Holders under the COPs Documents.

16 “Unclaimed Property” means any Cash (together with any interest earned thereon) that is
17 unclaimed on the sixtieth (60th) day following a Distribution. Unclaimed Property shall include:
18 (a) checks (and the funds represented thereby) that have been returned as undeliverable without a
19 proper forwarding address; (b) funds for checks that have not been cleared for deposit within sixty
20 (60) days after a Distribution; and (c) checks (and the funds represented thereby) that were not
21 mailed or delivered because of the absence of a proper address to which to mail or deliver such
22 checks. The date of a Distribution to the holder of an Allowed Claim shall be the date of the
23 check issued to such holder.

24 “Verizon” means GTE Mobilnet of California Limited Partnership, d/b/a Verizon
25 Wireless.

26 “WCCHD Successor Pension Plan” means the West Contra Costa Healthcare District
27 Successor Retirement Plan.

28 1.2 **Interpretation, Rules of Construction, Time.**

1 than the claims of the County, EDD, Local ~~39,39~~ in Class 7, the WCCHD Successor Pension Plan
2 Claims, and the CNA Claim. Class 5 is impaired under section 1124 of the Bankruptcy Code.

3 **2.6 EDD Claim (Class 6).**

4 Class 6 consists of the claim of EDD, filed by EDD as a priority unsecured claim in the
5 amount of \$1,664,785.23 [Claim No. 314]. Class 6 is impaired under section 1124 of the
6 Bankruptcy Code.

7 **2.7 Local 39 Claim (Class 7)**

8 Class 7 consists of the Local 39 Claim in the amount of \$483,691.11 [Claim No. 240].
9 Class 7 is impaired under section 1124 of the Bankruptcy Code.

10 **ARTICLE III.**

11 **TREATMENT OF NON-CLASSIFIED CLAIMS**

12 In accordance with section 1123(a)(1) of the Bankruptcy Code, the following Claims
13 ("Non-Classified Claims") are not classified under the Plan. Non-Classified Claims are treated in
14 the following manner:

15 **3.1 General Administrative Claims.**

16 Except as provided otherwise in this Article III, the holders of Non-Classified Claims that
17 are Allowed Claims entitled to priority under section 507(a)(2) of the Bankruptcy Code, including
18 entities entitled to payment pursuant to section 503 of the Bankruptcy Code, will receive Cash in
19 the amount of such Allowed Claims or in such amounts as the District and the holders of such
20 Allowed Claims shall agree on the later of: (a) sixty (60) days after the Effective Date; (b) the date
21 such Non-Classified Claims become Allowed Claims; or (c) at such time as the District and the
22 holders of such Allowed Claims shall agree. Non-Classified Claims shall include Claims of
23 governmental units for taxes or duties.

24 **3.2 Professional Fees.**

25 Professionals employed by the District and the Committee will receive Cash on account of
26 fees and expenses incurred from the Filing Date through the Effective Date in the amount
27 approved by the Reorganized District within sixty (60) calendar days of the Effective Date. The
28 Reorganized District reserves the right to object to the fees and expenses of the Committee.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

ARTICLE IV.

TREATMENT OF CLAIMS

Only the Allowed Claims in Classes 1, 2, 4, 5, 6 and 7 are impaired and entitled to vote under the Plan.

4.1 **Class 1 (Secured Claims of the COPs Holders).**

The secured claim of the 2004 COPs Holders shall be allowed in the amount of \$16,370,000.00 or such other amount as is actually outstanding as of the Effective Date. The secured claim of the 2011 COPs Holders shall be allowed in the amount of \$39,620,000.00 or such other amount as is actually outstanding as of the Effective Date.

The secured claims of the COPs Holders shall be paid in full with interest under the Plan. Payments of principal and interest shall be made to the COPs Holders pursuant to the COPs Documents, and the Plan shall not modify the applicable interest rates or maturity dates under the COPs Documents, except that the COPs Documents shall be modified to provide that: (1) all existing defaults of the District under the COPs Documents shall be deemed waived upon confirmation of the Plan; (2) the Trustee shall no longer be permitted to retain the Excess Parcel Tax Proceeds or the Parcel Tax Reserve, and all funds held by the Trustee as of the Effective Date that constitute Excess Parcel Tax Proceeds or the Parcel Tax Reserve shall be returned by the Trustee to the Reorganized District within seven days of the Effective Date of the Plan; (3) any mandatory prepayment rights of the COPs Holders under the COPs Documents or any other provision of the COPs Documents that would cause payments by the Reorganized District to the Trustee to be inconsistent in any way with the COPs Amortization Table shall be extinguished; and (4) the Default Provisions of the COPs Documents shall be modified to provide that only the District's failure to make the payments set forth in the COPs Amortization Table, after notice and a cure period, shall constitute a default under the COPs Documents. The Trustee and COPs Holders shall retain their lien on the Parcel Tax Revenues in order to secure the Reorganized District's payment obligations under the Plan. The Trustee and Reorganized District shall execute amended COPs Documents consistent with the treatment described herein.

1 **4.2 Class 2 (Unsecured Claim and Contractual Rights of the County Under the Tax**
2 **Sharing Agreements).**

3 The County holds an unsecured claim against the District in the amount of \$436,265.01.
4 The County's claim shall be an Allowed Unsecured Claim. The County shall receive one
5 distribution in the amount of \$218,132.50 on account of its Allowed Unsecured Claim within
6 twenty-four (24) months of the Effective Date.

7 The County also holds certain rights with respect to the District *Ad Valorem* Revenues
8 pursuant to the Tax Sharing Agreements. Pursuant to the Tax Sharing Agreements, the District
9 assigned to the County certain of the District's right to receive certain of its *Ad Valorem* Revenues
10 in exchange for financial and other support provided to the District by the County. The County's
11 rights under the Tax Sharing Agreements shall remain unaltered by the Plan.

12 **4.3 Class 3 (WCCHD Successor Pension Plan Claims).**

13 The District owes certain obligations under the WCCHD Successor Pension Plan to
14 retirees who are holders of WCCHD Successor Pension Plan Claims. All such claims shall be
15 Allowed Claims under the Plan. On the Effective Date, the Reorganized District shall assume all
16 rights and responsibilities of the District under the WCCHD Successor Pension Plan. The
17 WCCHD Successor Pension Plan Trust shall continue to be administered by Matrix, who shall act
18 as disbursement agent for all payments to be made to beneficiaries under the Plan. Within thirty
19 (30) days of the Effective Date, the Reorganized District shall transfer \$4 million to Matrix in
20 order to fund the WCCHD Successor Pension Plan. Thereafter, the District shall transfer \$1
21 million to Matrix each year until the WCCHD Successor Pension Plan is fully funded.
22 Notwithstanding the foregoing, nothing contained herein is intended to modify, alter, amend, or
23 otherwise change the terms of the trust agreement entered into by WCCHD and PW Trust
24 Company (to which Matrix is an assignee) and the obligations of the parties thereunder, nor is it
25 intended to impose any additional obligations or liabilities on the part of Matrix, whether to the
26 District, the Reorganized District and any or all beneficiaries/retirees of the WCCHD Successor
27 Pension Plan.
28

1 **4.4 Class 4 (CNA Claim).**

2 The District owes certain obligations to CNA on behalf of nurses who formerly worked at
3 the Hospital and who are or were members of CNA pursuant to that certain Memorandum of
4 Understanding between the District and CNA dated June 14, 2011. CNA has filed a claim for
5 \$5,119,006.00 [Claim No. 235]. The CNA Claim shall be paid \$2,500,000 over nine years
6 without interest in equal, annual payments of \$250,000 in years 1 through 7 and \$375,000 in years
7 8 and 9. Additionally, the \$212,292.13 in funds currently held by MidAmerica shall be available
8 to pay the CNA Claim. MidAmerica, or another administrator selected by CNA, shall serve as the
9 disbursing agent for all payments to be made to the nurses who are the beneficiaries of the CNA
10 Claim.

11 **4.5 Class 5 (General Unsecured Claims).**

12 Class 5 consists of all holders of Allowed Unsecured Claims other than claims held by the
13 County, EDD, Local 39,39 in Class 7, CNA, and holders of WCCHD Successor Pension Claims.
14 Class 5 consists primarily of trade creditors and workers compensation claimants and the Local 39
15 Chapter 5 Claim. The aggregate claimed liability of Class 5 creditors, before objections, is
16 approximately \$10,500,000. The holders of Allowed Claims in Class 5 will receive their *pro rata*
17 share of \$6 million in three (3) installments over three (3) years following the Effective Date but
18 in no event shall they receive money in excess of the full amount of their Allowed Claim. As set
19 forth below, the Plan enables the District to file objections to claims at any time within 180 days
20 after the Effective Date. The District shall not object to the Local 39 Chapter 5 Claim. To the
21 extent a Class 5 Claim is not an Allowed Claim on the date that is 180 days after the Effective
22 Date, such claim will receive its *pro rata* share of the \$6 million paid to Class 5 Claims at the
23 time and to the extent such claim becomes an Allowed Claim. Until the total allowed amount of
24 all Class 5 Claims is determined, the Reorganized District may delay payment or make adequate
25 reserves prior to payment of any Allowed Class 5 Claims.

26 **4.6 Class 6 (EDD Claim).**

27 Class 6 consists of the claim of EDD, filed by EDD as a priority unsecured claim in the
28 amount of \$1,664,785.23 [Claim No. 314]. The EDD Claim includes penalties and interest of

1 \$341,089.13. The Reorganized District shall pay the EDD Claim, less the penalties and interest,
2 over a two (2) year period following the Effective Date in two (2) equal installments of
3 \$661,848.05, which payments shall be in full satisfaction of the EDD Claim.

4 **4.7 Class 7 (Local 39 Claim).**

5 The Local 39 Pension Claim shall be paid in full over ten (10) years in annual installments
6 of ~~\$31,480.99~~ \$35,410.81. The Local 39 Health Claim shall be paid at a 50% discount over nine
7 (9) years in annual installments of ~~\$8,214.98~~ \$5,923.70. The liquidated damages and interest in the
8 Local 39 Health Claim and auditing testing fee asserted in the Local 39 Claim shall not be paid,
9 but otherwise the District shall not object to the Local 39 Pension Claim or the Local 39 Health
10 Claim.

11 **ARTICLE V.**

12 **FUTURE OF THE DISTRICT**

13 **5.1 Creation of the Reorganized District.**

14 Upon the Effective Date, the District, as discharged in the manner set forth in Paragraph
15 7.1 below, shall be reorganized into the Reorganized District.

16 **5.2 Governance of the Reorganized District.**

17 The Reorganized District shall remain a separate and distinct legal entity and shall
18 continue to be governed by its Board of Directors. After the Effective Date, the Reorganized
19 District will work with the County to sponsor special legislation that will replace District board
20 elections and an elected board with a governing body appointed by the County Board of
21 Supervisors. This change in governance would also accommodate a change in management of the
22 Reorganized District from independently employed staff to an arrangement with the County such
23 that existing County Health Services administrative staff and resources could cover the
24 administrative needs of the Reorganized District.

25 **5.3 Repayment of Creditors.**

26 Following the Effective Date, the Reorganized District will focus its operations on making
27 the payments to creditors envisaged by the Plan.

28 **5.4 Return to Provision of Healthcare Services.**

1 Following the Effective Date, to the extent of available cash after payment of all liabilities
2 assumed under the Plan, the Reorganized District intends on resuming providing healthcare
3 services to the residents of the District and County. At this time the nature, timing and cost of
4 such healthcare services has not been determined, however, at all times the Reorganized District
5 will first satisfy its obligations under the Plan before expending money on healthcare services.
6

7 ARTICLE VI.

8 MEANS FOR IMPLEMENTATION OF THE PLAN

9 6.1 Sale of the Hospital.

10 The District has entered into a contract with LRC to sell the Hospital to LRC for \$13
11 million. Pursuant to the Plan, the Hospital will be sold to LRC free and clear of liens, claims, and
12 encumbrances, including any liens, claims, or encumbrances of the Cellular Rights Parties, for
13 \$13 million pursuant to, *inter alia*, Sections 1123(a)(5), 1123(b)(4) and (6) and 105 of the
14 Bankruptcy Code. The Reorganized District shall be authorized to close the sale of the Hospital
15 to LRC and to execute such documents as necessary to close the sale and to pay any closing
16 expenses, commissions, and taxes as required. The Cellular Rights Parties shall, upon the earlier
17 of the closing of the Hospital sale or ten (10) days of the Effective Date: (i) remove the Cell
18 Boxes from the Hospital roof and otherwise vacate the Hospital; and (ii) otherwise cooperate and
19 not interfere with the sale of the Hospital to LRC, including by executing quitclaim deeds of any
20 interest in or lien on the Hospital.
21
22
23
24
25
26
27
28

1 **6.2 The Disputed Claims Reserve.**

2 The Disputed Claims Reserve will be a separate account or accounting reserve maintained
3 by the Reorganized District for the benefit of holders of Claims that are not Allowed Claims. As
4 each Claim becomes an Allowed Claim, the Reorganized District will transfer the amount
5 reserved for that Claim into the appropriate fund and the holder will be entitled to receive any
6 Distributions that have been made and all future Distributions. When a Claim is disallowed by
7 order of the Bankruptcy Court, the Reorganized District will also transfer the amount reserved for
8 that Claim into the appropriate fund but the holder of the Claim will not be entitled to any
9 Distributions.

10 **6.3 Distributions to Holders of Allowed Claims.**

11 **6.3.1 Effective Date Payments**

12 Within seventy-five (75) days of the Effective Date, the Reorganized District shall pay in
13 full, in Cash, all Non-Classified Allowed Claims then payable under the Plan as set forth in
14 Article III.

15 **6.3.2 Distributions to Allowed Claims in Class 1**

16 All Distributions to holders of Allowed Class 1 Claims shall be made in accordance with
17 the terms of the COPs Documents, as modified by this Plan. The County shall continue to pay the
18 Parcel Tax Revenues to the Trustee, who shall: (1) disburse funds to the COPs Holders in
19 accordance with the COPs Documents in the amounts set forth in the COPs Amortization Table;
20 and (2) promptly pay all Excess Parcel Tax Proceeds and Parcel Tax Reserve to the District.

21 **6.3.3 Distributions to Allowed Claims in Class 2**

22 The Class 2 distribution to the County shall be made by the Reorganized District directly
23 to the County within twenty-four (24) months of the Effective Date.

24 **6.3.4 Distributions to Allowed Claims in Class 3**

25 All Distributions made to holders of Allowed Class 3 Claims shall be made by Matrix, as
26 disbursing agent for the Reorganized District. The Reorganized District shall pay to Matrix all
27 funds to be disbursed to holders of Allowed Class 3 Claims, and Matrix shall subsequently
28 disburse funds to such holders in the manner set forth in the WCCHD Successor Pension Plan.

1 Notwithstanding the foregoing, nothing contained herein is intended to modify, alter, amend, or
2 otherwise change the terms of the trust agreement entered into by WCCHD and PW Trust
3 Company (to which Matrix is an assignee) and the obligations of the parties thereunder, nor is it
4 intended to impose any additional obligations or liabilities on the part of Matrix, whether to the
5 District, the Reorganized District and any or all beneficiaries/retirees of the WCCHD Successor
6 Pension Plan.

7 **6.3.5 Distributions to Allowed Claims in Class 4**

8 All Distributions made to CNA or the beneficiaries of the CNA Claim shall be made by
9 MidAmerica or such other disbursing agent appointed by CNA. The Reorganized District shall
10 pay to MidAmerica all funds to be disbursed to CNA, and MidAmerica shall subsequently
11 disburse funds to CNA or the beneficiaries of the CNA Claim along with the \$212,292.13
12 currently held by MidAmerica.

13 **6.3.6 Distributions to Allowed Claims in Class 5**

14 **6.3.6.1 Initial Distribution**

15 The Reorganized District will make an Initial Distribution to the holders of Allowed
16 Claims in Class 5 within one hundred and eighty (180) calendar days after the Effective Date.
17 Simultaneously, the Reorganized District will transfer an amount of funds to the Disputed Claims
18 Reserve sufficient to ensure a *pro rata* distribution to all subsequently Allowed Claims in the
19 manner set forth in Paragraph 6.2 of this Plan. The Reorganized District shall have one hundred
20 and eighty (180) calendar days after the Effective Date, unless such period of time is extended by
21 the Court for cause to object to Class 5 claims.

22 **6.3.6.2 Subsequent Distributions**

23 The Reorganized District will make subsequent distributions to allowed claims in Class 5
24 in 2019 and 2020 in accordance with the terms of this Plan.

25 **6.3.6.3 Final Distribution**

26 The Reorganized District shall make a Final Distribution to holders of Allowed Claims in
27 Class 5 within thirty (30) days of the date that all Class 5 Claims become Allowed Claims or are
28 disallowed by Final Order of the Bankruptcy Court.

1 **6.3.7 Distributions to Allowed Claims in Class 6**

2 The Reorganized District will make an initial distribution to EDD in the amount of
3 \$661,848.05 within ninety (90) calendar days after the Effective Date. The Reorganized District
4 will make a second and final distribution to EDD in the amount of \$661,848.05 on or about the
5 first anniversary of the initial distribution.

6 **6.3.8 Distributions To Allowed Claim in Class 7**

7 The Reorganized District will pay the Local 39 Pension Claim in Class 7 over ten (10)
8 years in annual installments and will pay the Local 39 Health Claim over nine (9) years at a 50%
9 discount in annual installments.

10 **6.4 Postconfirmation Operations.**

11 **6.4.1 The Creditors' Committee**

12 Upon the Effective Date, the Committee shall be dissolved and the members of the
13 Committee shall be released and discharged from any further rights and duties in connection with
14 the Chapter 9 Case, except with respect to any disputes over the amount, allowance or payment of
15 Non-Classified Claims payable to any of its professionals for services rendered prior to the
16 Effective Date.

17 **6.4.2 Non-Classified Claims Bar Date**The deadline for filing Non-Classified Claims
18 entitled to treatment as administrative Claims in accordance with Article III of the Plan shall be
19 sixty (60) days after the Effective Date. Holders of administrative Claims based on liabilities
20 incurred in the ordinary course of the Debtor's business following the Petition Date or orders of
21 the Bankruptcy Court shall not be required to comply with the Non-Classified Claims Bar Date,
22 provided that, (a) such holders of Administrative Claims based on liabilities incurred in the
23 ordinary course of business have otherwise submitted an invoice, billing statement or other
24 evidence of indebtedness to the District in the ordinary course of business, and (b) such Claims
25 are not past due according to their terms.

26 **6.4.3 Consequences of Untimely Administrative Claim**

27 **ANY PERSON FAILING TO TIMELY FILE AN ADMINISTRATIVE CLAIM**
28 **SHALL BE FOREVER BARRED FROM MAKING SUCH A CLAIM OR FUTURE**

1 APPLICATION AND SHALL NOT PARTICIPATE IN ANY DISTRIBUTION ON
2 ACCOUNT OF SUCH AN ADMINISTRATIVE CLAIM.

3 **6.5 Professional Fees**

4 All fees and expenses incurred by professionals engaged by the Reorganized District after
5 the Effective Date shall be paid in full by the Reorganized District.

6 **6.6 Treatment of Disputed Claims.**

7 **6.6.1 Disputed Claims Reserve** Within sixty (60) days of the Effective Date, the
8 Reorganized District shall establish (or account for) a Disputed Claims Reserve that is adequate
9 and sufficient for the payment of Distributions contemplated by the Plan to the holders of
10 Disputed Claims in Class 5. At such time as a Disputed Class 5 Claim becomes an Allowed Class
11 5 Claim, the previous Distributions due on account of such Allowed Claim shall be released from
12 the Disputed Claims Reserve and placed in the appropriate fund for Distribution to the holder of
13 such Allowed Claim.

14 **6.7 Calculation of Appropriate Reserves.**

15 Except to the extent that the Reorganized District and the holder of the Claim agree, or the
16 Bankruptcy Court shall determine, that a sufficient reserve is less than the full amount of the
17 Claim, in determining the amount to be held in the Disputed Claims Reserve, the appropriate
18 calculations shall be made as if all Disputed Class 5 Claims were Allowed Class 5 Claims.

19 **6.8 Treatment of Unclaimed Property.**

20 If a Distribution to a holder of an Allowed Claim becomes Unclaimed Property, the
21 Reorganized District will make a reasonable effort to reach the holder of the Allowed Claim after
22 which the holder of the Allowed Claim shall cease to be entitled to the Distribution or any further
23 Distributions. In the event that any Distributions from an interim Distribution become Unclaimed
24 Property, all such Unclaimed Property shall be returned to the appropriate fund for distribution to
25 creditors or, if such fund balance reverts to the Reorganized District, to the Reorganized District.
26 In the event that any Distributions from the Final Distribution become Unclaimed Property, all
27 such Unclaimed Property shall revert to the Reorganized District.
28

1 ENFORCING, ATTACHING, COLLECTING, OR RECOVERING BY ANY MANNER
2 OR MEANS ANY JUDGMENT, AWARD, DECREE, OR ORDER AGAINST THE
3 DISTRICT OR ITS PROPERTY WITH RESPECT TO SUCH PRE-EFFECTIVE DATE
4 CLAIMS; (C) CREATING, PERFECTING, OR ENFORCING ANY LIEN OR
5 ENCUMBRANCE OF ANY KIND AGAINST THE DISTRICT OR ITS PROPERTY,
6 INCLUDING, WITHOUT LIMITATION, THE HOSPITAL; AND (D) ASSERTING ANY
7 RIGHT OF SETOFF, SUBROGATION, OR RECOUPMENT OF ANY KIND AGAINST
8 ANY OBLIGATION DUE TO THE REORGANIZED DISTRICT WITH RESPECT TO
9 SUCH PRE-EFFECTIVE DATE CLAIM.

10 IN ADDITION, AND WITHOUT IN ANY WAY LIMITING THE GENERALITY
11 OF THE FOREGOING, ALL CREDITORS OF THE DISTRICT, INCLUDING,
12 WITHOUT LIMITATION, THE CELLULAR RIGHTS PARTIES, SHALL BE
13 PERMANENTLY ENJOINED FROM AND AFTER THE EFFECTIVE DATE FROM: (I)
14 ASSERTING ANY CLAIM OR INSTITUTING ANY ACTION AGAINST LRC
15 RELATING TO THE SALE OF HOSPITAL; (II) ASSERTING ANY CLAIM OR LIEN
16 AGAINST OR INTEREST IN THE HOSPITAL ARISING PRIOR TO THE EFFECTIVE
17 DATE OF THE PLAN; OR (III) FROM INTERFERING IN ANY WAY WHATSOEVER
18 WITH THE RIGHTS OF LRC WITH RESPECT TO ITS OWNERSHIP OF THE
19 HOSPITAL.

20 **7.3 Term of Existing Injunctions or Stays.**

21 Unless otherwise provided in the Confirmation Order, all injunctions or stays provided for
22 in the Chapter 9 Case pursuant to Sections 105, 362, or 922 of the Bankruptcy Code, or otherwise,
23 and in existence on the Confirmation Date shall remain in full force and effect until the Effective
24 Date.

25 **7.4 Release and Indemnification of the Board of Directors and Officers of the District.**

26 UPON THE EFFECTIVE DATE, EACH OF THE DESIGNATED RESPONSIBLE
27 INDIVIDUALS AND ALL PROFESSIONALS EMPLOYED BY THE DISTRICT SHALL
28 BE FOREVER RELEASED AND DISCHARGED FROM ALL CLAIMS HELD BY ALL

1 ENTITIES WHO HAVE HELD, HOLD, OR MAY HOLD PRE-EFFECTIVE DATE
2 CLAIMS AGAINST THE DISTRICT, WHETHER OR NOT SUCH CLAIM IS AN
3 ALLOWED CLAIM, AND WHETHER OR NOT SUCH HOLDER HAS VOTED TO
4 ACCEPT THE PLAN.

5 THE REORGANIZED DISTRICT WILL INDEMNIFY AND DEFEND THE
6 DESIGNATED RESPONSIBLE INDIVIDUALS FOR ANY CLAIMS ASSERTED
7 AGAINST THEM IN THEIR CAPACITIES AS DESIGNATED RESPONSIBLE
8 INDIVIDUALS OF THE DISTRICT AND REORGANIZED DISTRICT, UNTIL THE
9 ENTRY OF A FINAL DECREE AND ORDER CLOSING THE CHAPTER 9 CASE
10 OTHER THAN WITH RESPECT TO CLAIMS BASED ON GROSS NEGLIGENCE OR
11 WILLFUL MISCONDUCT. THE REORGANIZED DISTRICT MAY ENTER INTO
12 SUCH AGREEMENTS AS ARE REASONABLY NECESSARY TO IMPLEMENT THIS
13 PROVISION.

14 **7.5 Exculpation.**

15 UPON CONFIRMATION OF THE PLAN, THE DESIGNATED RESPONSIBLE
16 INDIVIDUALS, MEMBERS OF THE COMMITTEE, FOX ROTHSCHILD LLP,
17 DENTONS US LLP, ARCHER NORRIS, AND OPTIMUM FINANCIAL ADVISORS
18 SHALL BE EXCULPATED FROM ANY LIABILITY OF ANY KIND OR NATURE
19 WHATSOEVER, EXCEPT FOR GROSS NEGLIGENCE OR WILLFUL MISCONDUCT,
20 IN CONNECTION WITH ANY ACTIONS TAKEN OR NOT TAKEN FROM THE
21 PETITION DATE TO THE EFFECTIVE DATE, INCLUDING WITHOUT
22 LIMITATION, ANY ACTIONS OR INACTIONS IN CONNECTION WITH THE
23 DISCLOSURE STATEMENT AND PLAN.

24 **7.6 Plan Binding.**

25 Except as provided in this Plan or in the Confirmation Order, on the Effective Date, the
26 Plan shall be binding on all holders of Claims existing as of the date of Confirmation whether or
27 not such holder has filed a Claim in the Chapter 9 Case, whether or not such Claim is an Allowed
28

1 Claim, and whether or not such holder has voted to accept the Plan. No holder of a Claim will
2 have any rights of action on account of such Claim except as set forth in the Plan.

3 **ARTICLE VIII.**

4 **VESTING OF TITLE**

5 Except as provided in this Plan or in the Confirmation Order, on the Effective Date the
6 Reorganized District shall be vested with all of the property of the District, free and clear of all
7 Claims or liens arising prior to Confirmation. After Confirmation, the Reorganized District shall
8 operate free of any restrictions of the Bankruptcy Code based on the pendency of the Chapter 9
9 Case.

10 **ARTICLE IX.**

11 **RETENTION AND ENFORCEMENT OF CLAIMS**

12 Pursuant to section 1123(b)(3) of the Bankruptcy Code, the Reorganized District will
13 succeed to, and may enforce, any and all claims held by the District. This Plan expressly reserves
14 all claims, defenses, powers, and interests of the District for the Reorganized District for the
15 purposes of objecting to the allowance of Claims, the subordination of Claims, bringing
16 Avoidance Actions, and for the purpose of seeking recovery of property, damages, or equitable
17 relief. Only the Reorganized District may object to Claims or bring actions on behalf of the
18 District.

19 **ARTICLE X.**

20 **TREATMENT OF EXECUTORY CONTRACTS AND UNEXPIRED LEASES**

21 **10.1 Assumed Executory Contracts and Unexpired Leases.**

22 All executory contracts and unexpired leases: (1) to which the District was a party on the
23 Petition Date and that are either: (a) listed on Exhibit 1 to this Plan, as such Exhibit 1 may be
24 amended until Confirmation; (b) assumed by prior orders of the Bankruptcy Court; or (c) are
25 assumed by the District prior to the Effective Date, and which assumption has been approved by
26 an order of the Bankruptcy Court prior to the Effective Date, or (2) that have been entered into
27 during the pendency of the Chapter 9 Case, shall be deemed assumed pursuant to section 365(a)
28 of the Bankruptcy Code.

1 **10.2 Cure of Prepetition Default Amounts.**

2 For those executory contracts and unexpired leases being assumed on the Effective Date,
3 if such executory contract or unexpired lease is in default, within thirty (30) days of the Effective
4 Date the Reorganized District will pay to the counterparty to the executory contract the cure
5 amount set forth on Exhibit 1 to this Plan unless an objection to such Cure Payment is filed with
6 the Bankruptcy Court and served on counsel to the District on or prior to the date set by the
7 Bankruptcy Court for filing objections to Confirmation, and the Bankruptcy Court, after notice
8 and a hearing, determines that the District is obligated to pay a different amount as a Cure
9 Payment under section 365 of the Bankruptcy Code. Any person that fails to object to the Cure
10 Payment specified on Exhibit 1 to this Plan on or prior to the date set by the Bankruptcy Court for
11 filing objections to Confirmation, shall be forever barred from: (a) asserting any other, additional
12 or different Cure Payment; and (b) sharing in any other, additional, or different Distribution under
13 the Plan on account of such Cure Payment.

14 **10.3 Rejection of Crown Castle Successor Lease.**

15 Upon the Effective Date, the Crown Castle Successor Lease shall be rejected pursuant to
16 Section 365(a) of the Bankruptcy Code to the extent it is deemed to be an executory contract.

17 **10.4 Rejection of Executory Contracts and Unexpired Leases.**

18 Except for: (a) those executory contracts and unexpired leases set forth on Exhibit 1; or (b)
19 otherwise described in Section 10.1, above, all other executory contracts and unexpired leases to
20 which the District was a party as of the Filing Date shall be, and hereby are rejected, effective as
21 of the Effective Date. While the District does not believe it is a party to any executory contract or
22 unexpired lease with any of the Cellular Rights Parties other than potentially the contract or lease
23 with Crown Castle, to the extent such an executory contract or unexpired lease is deemed to exist,
24 such executory contract or unexpired lease shall be deemed rejected as of the Effective Date.

25 **10.5 Claims Arising from the Rejection of Executory Contracts and Unexpired Leases**

26 **PROOFS OF CLAIM FOR CLAIMS ARISING FROM THE REJECTION OF**
27 **EXECUTORY CONTRACTS OR UNEXPIRED LEASES MUST BE FILED WITH THE**
28 **BANKRUPTCY COURT AND SERVED ON THE REORGANIZED DISTRICT WITHIN**

1 **THIRTY (30) CALENDAR DAYS OF THE EFFECTIVE DATE UNLESS THE HOLDER**
2 **HAS PREVIOUSLY FILED SUCH PROOF OF CLAIM OR SUCH CLAIMS SHALL BE**
3 **FOREVER BARRED AND THE HOLDERS THEREOF SHALL NOT PARTICIPATE IN**
4 **ANY DISTRIBUTIONS UNDER THE PLAN.** The foregoing provision does not extend any
5 deadline for filing proofs of Claim arising from the rejection of executory contracts or unexpired
6 leases that was established by prior Bankruptcy Court order. Any Allowed Claims of parties to
7 rejected executory contracts or unexpired leases shall be treated as Class 5 Claims under this Plan.

8 **10.6 Settlements With Cellular Rights Parties**

9 To the extent the District enters into any written settlements with AT&T, Crown Castle
10 and/or Verizon relating to the Crown Castle Successor Lease, the Cell Boxes, or the rights, claims
11 or interests of any of the Cellular Rights Parties then, in that event, those written settlements, if
12 approved by the Bankruptcy Court, shall govern and control over any provision of the Plan,
13 including without limitation, Sections 6.1, 7.2 and Article X of the Plan.

14 **ARTICLE XI.**

15 **MODIFICATION OF PLAN**

16 The District, as Plan proponent, may modify the Plan prior to Confirmation if the Plan, as
17 modified, meets the requirements of the Bankruptcy Code. Such modification shall be deemed
18 accepted or rejected by a holder of a Claim that has previously accepted or rejected the Plan
19 unless, within the time fixed by the Bankruptcy Court, such holder changes such holder's
20 previous acceptance or rejection. In the event that the Plan requires modification after
21 Confirmation, the Reorganized District will be deemed to be the Plan proponent.

22 **ARTICLE XII.**

23 **USE OF BANKRUPTCY CODE SECTION 1129(b)**

24 If any class of Claims fails to accept this Plan by the requisite majorities in number and
25 amount, as required by section 1126 of the Bankruptcy Code, the District may, at any time, invoke
26 the provisions of section 1129(b) of the Bankruptcy Code.
27

28 **ARTICLE XIII.**

1
2
3 **RETENTION OF JURISDICTION**

4 Notwithstanding Confirmation of this Plan or the Effective Date having occurred, the
5 Bankruptcy Court shall retain full and exclusive jurisdiction as provided in 28 U.S.C. § 1334 as to
6 the provisions, purposes, and intent of this Plan including, without limitation:

- 7 • Determination of the allowability and classification of Claims upon requests for
8 payment of Claims or upon the objection by the Reorganized District to such
9 Claims;
- 10 • Resolution of controversies and disputes regarding interpretation of this Plan or the
11 Confirmation Order;
- 12 • Implementation of the provisions of this Plan or the Confirmation Order, and entry
13 of orders in aid of Confirmation including orders to protect the Reorganized
14 District or persons included in Subsections 7.2, 7.4, and 7.5 of the Plan from
15 creditor action enjoined pursuant to Confirmation;
- 16 • Enforcement of the terms of the Plan against the Trustee and Cellular Rights
17 Parties;
- 18 • Modification of the Plan pursuant to section 1127 of the Bankruptcy Code;
- 19 • Adjudication of any Claims or causes of action, including Avoidance Actions,
20 brought by the Reorganized District, or any claims or causes of action brought
21 against the Reorganized District; and
- 22 • Entry of an order closing the Chapter 9 Case.
- 23
- 24
- 25
- 26
- 27
- 28

1 Dated: ~~August 3,~~ September 28, 2017

WEST CONTRA COSTA HEALTHCARE
DISTRICT

2
3
4 By: /s/ Kathy D. White

5 Chief Executive Officer and
6 Designated Responsible Individual
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

EXHIBIT 1

Executory Contracts and Unexpired Leases to be Assumed & Associated Cure Payments¹

Name of Contract	Date of Contract	Counterparty	Cure Amount
Purchase and Sale Agreement	November 15, 2016	Lytton Rancheria of California	\$0
Trust Agreement		MG Trust Company, LLC d/b/a Matrix Trust Company	Estimated at \$13,500.00
Engagement Letter for Actuarial Services	May 15, 2017	Willis Towers Watson Delaware Inc.	\$0
Service Agreement	August 6, 2015	Conduent, Inc., f/k/a Xerox Consultant Company, Inc.	\$45,000
Agreement		Lincoln Financial Advisors	\$0
Agreement		MidAmerica	\$0
<u>Medicare & Medi-Cal Appeal Services Agreement</u>	<u>May 21, 2013</u>	<u>Toyon</u>	<u>\$0</u>

¹ The District reserves the right to modify this Exhibit prior to Plan confirmation. Any cure amounts listed shall be paid within thirty (30) days of the Effective Date.

104242489VV-34

--	--	--

Document comparison by Workshare Professional on Monday, September 18, 2017 1:53:10 PM

Input:	
Document 1 ID	interwovenSite://USDMS/US_Active/104242489/3
Description	#104242489v3<US_Active> - (West Contra) First Amended Chapter 9 Plan
Document 2 ID	interwovenSite://USDMS/US_Active/104242489/4
Description	#104242489v4<US_Active> - (West Contra) Second Amended Chapter 9 Plan
Rendering set	Underline Strikethrough

Legend:	
<u>Insertion</u>	
Deletion	
Moved from	
<u>Moved to</u>	
Style change	
Format change	
Moved deletion	
Inserted cell	
Deleted cell	
Moved cell	
Split/Merged cell	
Padding cell	

Statistics:	
	Count
Insertions	39
Deletions	37
Moved from	0
Moved to	0
Style change	0
Format changed	0
Total changes	76