West Contra Costa Healthcare District
Doctors Medical Center
WCCHD Financing Corporation Meeting

Wednesday, March 28, 2018

4:00 PM

San Pablo City Council Chambers

13831 San Pablo Avenue

San Pablo, CA

WEST CONTRA COSTA HEALTHCARE DISTRICT
DOCTORS MEDICAL CENTER

WCCHD FINANCING CORPORATION MEETING

WCCHD DOCTORS MEDICAL CENTER
WCCHD FINANCING CORPORATION MEETING
March 28, 2018 – 4:00 P.M. PST
San Pablo City Council Chambers
13831 San Pablo Ave.
San Pablo, CA 94806

Board of Directors
Nancy Casazza, Chair
Irma Anderson
Deborah Campbell
William van Dyk
Beverly Wallace

AGENDA

1. **CALL TO ORDER** — N. Casazza, Chair

2. **ROLL CALL**

3. **PUBLIC COMMENTS** — N. Casazza, Chair
   [At this time persons in the audience may speak on any items not on the agenda and any other matter within the jurisdiction of the District Board]

4. **RESOLUTION AMENDING THE TRUST AGREEMENT RELATING TO THE DISTRICT'S 2004 COPS** — H. Emahiser, Financial Consultant
   a. Presentation
   b. Public Comment
   c. Discussion
   d. *Action: Approval of Resolution amending the Trust Agreement relating to the District's 2004 COPS as required by the bankruptcy court.*

5. **ADJOURNMENT OF MEETING**

In compliance with the Americans with Disabilities Act, if you require special accommodations to participate in a District meeting, please contact the District Clerk at 510-417-2210 at least 48 hours prior to the meeting.

WCCHD FINANCING CORPORATION

RESOLUTION NO. 2018-03

RESOLUTION APPROVING THE FORM AND AUTHORIZING THE EXECUTION AND DELIVERY OF AN AMENDMENT TO THE TRUST AGREEMENT RELATING TO THE OUTSTANDING WEST CONTRA COSTA HEALTHCARE DISTRICT CERTIFICATES OF PARTICIPATION (2004 FINANCING PROGRAM), AND APPROVING CERTAIN OTHER ACTIONS

RESOLVED, by the Board of Directors (the "Board") of the WCCHD Financing Corporation (the "Corporation"), as follows:

WHEREAS, the West Contra Costa Healthcare District (the "District"), working together with the Corporation, has heretofore caused the execution and delivery of the $26,000,000 West Contra Costa Healthcare District Certificates of Participation (2004 Financing Program) (the "Certificates") evidencing direct, undivided fractional interests of the owners thereof in installment payments to be made by the District as the purchase price for certain property pursuant to an installment sale agreement (the "Installment Sale Agreement") with the Corporation to finance certain working capital expenses of the District;

WHEREAS, the Certificates were executed and delivered pursuant to that certain Trust Agreement, dated as of July 1, 2004, by and among the District, the Corporation and U.S. bank National Association, as trustee;

WHEREAS, a reserve fund was not established for the Certificates when they were originally executed and delivered;

WHEREAS, in connection with the Chapter 9 bankruptcy filing by the District and pursuant to that Second Amended Plan for the Adjustment of Debts, dated July 21, 2017 (the "Plan of Adjustment"), the District is required to fund a reserve fund for the Certificates; and

WHEREAS, Section 9.01 of the Trust Agreement provides that the Trust Agreement and the rights and obligations of the owners of the Certificates and the Installment Sale Agreement and the rights and obligations of the parties thereto, may, with the consent of Ambac Assurance Corporation, the municipal bond insurer of the Certificates, be modified or amended at any time by a supplemental agreement, without the consent of any such owners, but only to the extent permitted by law and, among other things, to add to the covenants and agreements of the Corporation or the District or to add to the rights of the Trustee,

NOW, THEREFORE, it is hereby ORDERED and DETERMINED, as follows:

Section 1. A first amendment to trust agreement, by and among the District, the Corporation and the Trustee, as presented to this meeting (the "First Amendment to Trust

Agreement"), is hereby approved. The President, the Executive Director, or the designee thereof, is hereby authorized and directed, for and in the name of the Corporation, to execute and deliver the First Amendment to Trust Agreement in the form presented to this meeting, with such changes therein as the officer executing the same may approve, such approval to be conclusively evidenced by the execution and delivery of the First Amendment to Trust Agreement.

Section 2. This resolution shall take effect immediately upon its passage.

* * * * * * * * *

I, the undersigned Secretary of the Board of Directors of the WCCHD Financing Corporation, hereby certify that the foregoing is a full, true and correct copy of a resolution duly adopted by the Board at a meeting thereof on the 28th day of March, 2018, by the following vote of the members thereof:

AYES:

NOES:

ABSTAIN:

ABSENT:

_____

Secretary

FIRST AMENDMENT TO TRUST AGREEMENT

Dated as of March 1, 2018

by and among the

WEST CONTRA COSTA HEALTHCARE DISTRICT,

the

WCCHD FINANCING CORPORATION

and

U.S. BANK NATIONAL ASSOCIATION, as Trustee

Amending that certain Trust Agreement dated as of July 1, 2004, by and among the West Contra Costa Healthcare District, the WCCHD Financing Corporation and U.S. Bank National Association, as Trustee

Relating to the
West Contra Costa Healthcare District
Certificates of Participation
(2004 Financing Program)

FIRST AMENDMENT TO TRUST AGREEMENT

THIS FIRST AMENDMENT TO TRUST AGREEMENT, dated as of March 1, 2018 (the "First Amendment"), is by and among the WEST CONTRA COSTA HEALTHCARE DISTRICT, a local healthcare district organized and existing under the laws of the State of California (the "District"), the WCCHD FINANCING CORPORATION, a nonprofit public benefit corporation organized and existing under the laws of the State of California (the "Corporation"), U.S. BANK NATIONAL ASSOCIATION, a national banking association organized and existing under the laws of the United States of America, as trustee (the "Trustee"), an Ambac Assurance Corporation, a Wisconsin domiciled stock insurance corporation ("Ambac"), solely for the purpose of consenting to this First Amendment, amending that certain Trust Agreement, dated as of July 1, 2004, by and among the District, the Corporation and the Trustee (the "Trust Agreement").

RECITALS

WHEREAS, the District, working together with the Corporation, has heretofore caused the execution and delivery of the $26,000,000 West Contra Costa Healthcare District Certificates of Participation (2004 Financing Program) (the "Certificates") evidencing direct, undivided fractional interests of the owners thereof in installment payments to be made by the District as the purchase price for certain property pursuant to an installment sale agreement (the "Installment Sale Agreement") with the Corporation to finance certain working capital expenses of the District;

WHEREAS, the Certificates were executed and delivered pursuant to the Trust Agreement;

WHEREAS, Ambac has insured repayment of the Certificates;

WHEREAS, a reserve fund was not established for the Certificates when they were originally executed and delivered;

WHEREAS, in connection with the Chapter 9 bankruptcy filing by the District and pursuant to that Second Amended Plan for the Adjustment of Debts, dated July 21, 2017 (the "Plan of Adjustment"), which was confirmed by the bankruptcy court on January 3, 2018, the District is required to fund a reserve fund for the Certificates;

WHEREAS, Section 9.01 of the Trust Agreement provides that the Trust Agreement and the rights and obligations of the owners of the Certificates and the Installment Sale Agreement and the rights and obligations of the parties thereto, may, with the consent of Ambac, be modified or amended at any time by a supplemental agreement, without the consent of any such owners, but only to the extent permitted by law and, among other things, to add to the covenants and agreements of the Corporation or the District or to add to the rights of the Trustee,

WHEREAS, the execution and delivery of this First Amendment have been in all respects duly and validly authorized by resolutions duly adopted by the governing boards of the District and the Corporation; and

WHEREAS, the Trustee has the power and authority to enter into this First Amendment, and the District and the Corporation have requested and directed that the Trustee join in the execution hereof;

NOW, THEREFORE, in consideration of the above premises and of the mutual covenants hereinafter contained and for other good and valuable consideration, the parties hereto agree as follows:

SECTION 1. Amendments of the Trust Agreement.

(a) Exhibit A to the Trust Agreement is hereby amended by adding the following definitions:

"*Effective Date*" shall have the meaning ascribed thereto in the Plan of Adjustment.

"*Plan of Adjustment*" means the Second Amended Plan for the Adjustment of Debts, dated July 21, 2017, relating to the District's Chapter 9 bankruptcy filing, Docket Number 284 in case No. 16-42917, U.S.BC., N.D. California.

"*Reserve Fund*" means the fund by that name established and held by the Trustee pursuant to Section 6.01-A of the Trust Agreement and Section 4.1.1 of the Plan of Adjustment.

"*Reserve Requirement*" means an amount equal to $1,900,000.

(b) The Trust Agreement is hereby amended by adding a new Article VI-A thereto as follows:

ARTICLE VI-A

RESERVE FUND

Section 6.01-A. Establishment of Reserve Fund. The Trustee shall establish a special fund designated as the "Reserve Fund." All moneys, equal to the Reserve Requirement, at any time on deposit in the Reserve Fund shall be held by the Trustee in trust for the benefit of the Owners of the Certificates, and applied solely as provided herein.

Section 6.02-A. Deposits. As required by the Plan of Adjustment, the Trustee shall, on the Effective Date, transfer to the Reserve Fund, from moneys held by the Trustee, an amount equal to the Reserve Requirement. Amounts deposited in the Reserve Fund shall at all times be invested in a money market deposit account.

Section 6.03-A. Application in Event of Deficiency in the Installment Payment Fund. If, on any Interest Payment Date, the moneys available in the Installment Payment Fund do not equal the amount of the principal and interest with respect to the Certificates then coming due and payable, the Trustee shall apply the moneys available in the Reserve Fund to make delinquent amounts by transferring the amount necessary for this purpose to the Installment Payment Fund.

Section 6.04-A. Refunding of the Certificates.(a) In connection with a refunding of the Certificates, as described in the Plan of Adjustment, the District directs the Trustee, immediately prior to the refunding, to apply all amounts held in or credited to the Reserve Fund on the date of refunding, toward such refunding so that the amounts required by the refunding are net of amounts in the Reserve Fund.

(b) If the Certificates are not refunded in full within nine (9) months after the Effective Date, the District directs the Trustee, on July 1, 2019, to use all amounts held in or

credited to the Reserve Fund on July 1, 2019 to, redeem Certificates in the inverse order of maturity so that long-dated Certificates are redeemed first.

(c) In the event that the Reserve Fund is used for the purpose of refunding in full or partially redeeming the Certificates early, the District shall not be required to replenish the Reserve Fund to the Reserve Requirement. If amounts in the Reserve Fund are used to cure a payment default or pay the Trustee's fees and expenses, the District shall replenish the Reserve Fund to the Reserve Requirement within sixty (60) days after notice by the Trustee.

SECTION 2. This First Amendment shall become effective upon the execution and delivery of this First Amendment to Trust Agreement by the parties hereto, but only after the receipt of an opinion of Independent Counsel to the effect that the amendment complies with Section 9.01 of the Trust Agreement.

SECTION 3. Except as otherwise amended hereby, the Trust Agreement shall remain in full force and effect.

SECTION 4. This First Amendment may be executed in counterparts.

IN WITNESS WHEREOF, the parties hereto have caused this First Amendment to Trust Agreement to be duly executed by their officers duly authorized as of the date first above written.

WEST CONTRA COSTA HEALTHCARE DISTRICT

By _____
Chief Executive Officer

ATTEST:

_____
Secretary

WCCHD FINANCING CORPORATION

By _____
Executive Director

ATTEST:

_____
Secretary

U.S. BANK NATIONAL ASSOCIATION, as Trustee

By _____
Authorized Officer

CONSENT:
AMBAC ASSURANCE CORPORATION

By _____
Executive Director