

A meeting of the Board of Directors of the Washington Township Health Care District was held on Wednesday, August 9, 2023 in the Board Room at 2000 Mowry Avenue, Fremont and Zoom access was provided. Director Stewart called the meeting to order at 6:00 p.m. and led those in attendance of the meeting in the Pledge of Allegiance.

CALL TO ORDER

PLEDGE OF ALLEGIANCE

Roll call was taken: Directors present: Bernard Stewart, DDS; Jacob Eapen, MD; William Nicholson, MD; Jeannie Yee

ROLL CALL

Absent: Michael Wallace

Also present: Kimberly Hartz; Tina Nunez; Tom McDonagh; Terri Hunter; Larry LaBossiere; Paul Kozachenko; Cheryl Renaud; Shirley Ehrlich

Guests: Angus Cochran; Lauren Lucas, RN; Donald Pipkin; Dia Walrath; Erica Luna; Gisela Hernandez; Jerri Randrup; Jeffrey Sahrbeck; Robert Junqua; Kristin Ferguson, RN; Mary Bowron, RN; Michelle Hudson; Roy Coloma, RN; Sheela Vijay; Mark Saleh, MD; Lisel Wells; Marcus Watkins; John Zubiena; Melissa Garcia; Nick Legge; John Lee

Director Stewart welcomed any members of the general public to the meeting.

OPENING REMARKS

Director Stewart noted that Public Notice for this meeting, including Zoom information, was posted appropriately on our website. This meeting was recorded for broadcast at a later date.

The following individuals commented: Jahnell Shaw; Nicole Levya; Donna Mapp; Jessica Ulloa

*COMMUNICATIONS:
ORAL*

The District Clerk reported that there was a Written Communication received from Mabel Lam of CNA and it was provided to the Board Members.

*COMMUNICATIONS:
WRITTEN*

Director Stewart presented the Consent Calendar for consideration:

CONSENT CALENDAR

- A. Consideration of Minutes of the Regular Meetings of the District Board: July 12, 17, 24 & 26, 2023
- B. Consideration of Capital Equipment: Stryker Hospital Beds & Gurneys
- C. Consideration of Capital Purchase: Heat Exchanger Rebuild

Director Nicholson moved that the Board of Directors approve the Consent Calendar, Items A through C. Director Eapen seconded the motion.

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Roll call was taken:

Bernard Stewart, DDS – aye
Michael Wallace – absent
William Nicholson, MD – aye
Jacob Eapen, MD – aye
Jeannie Yee – aye

Motion Approved.

Kimberly Hartz, Chief Executive Officer, introduced Roy Coloma, Staff Nurse III PICC RN, who presented “Preventing CLABSI by Monitoring Chlorhexidine Bath Compliance”.

*PRESENTATION:
PREVENTING CLABSI
BY MONITORING
CHLORHEXIDINE
BATH COMPLIANCE*

Roy Coloma detailed how Washington Hospital Healthcare System addresses Central Line Associated Blood Stream Infections (CLABSI) to continually improve the safety of our patients. In October 2017, the customized Central Venous Catheter (CVC) dressing kit was developed. By implementing this and rolling out a “Buddy System” for dressing change audits, the rate of infection has decreased. The Standard Infection Rate (SIR) has decreased house wide from 1.752 in FY 2018 to 1.075 in FY 2021. Education is conducted during In-Service, Huddles, Unit Based Councils and included with New Hire & New Grad Demonstrations. In monitoring the Chlorhexidine (CHG) Bath Compliance, which started in October of 2021, the Goal for FY22 is set at <0.67. With the inter-professional teamwork including Nursing Leadership, Physicians, Pharmacy, Materials Management, Information Services, Infection Prevention, Education and Frontline Staff, Washington Hospital has been CLABSI free for 446 days.

Dr. Mark Saleh, Chief of Staff, reported that there are 595 Medical Staff members, including 340 active members.

*MEDICAL STAFF
REPORT*

Sheela Vijay, the Service League President, reported for July that there were 224 members of the Service League who contributed 2,884 hours to the Hospital. In March of 2020, there were 588 Active Volunteers. As of July 2023, there is now a total of 516 active volunteers.

*SERVICE LEAGUE
REPORT*

As Sheela’s goal to orient herself with each different assignment of Volunteers, this past month she shadowed Bentley, a four-legged volunteer who has volunteered since June of 2021, with his human partner, Ken Carlson. Currently, there are 7 WOOF therapy dogs in the program that provide a unique experience to our patients.

Mary Bowron, Chief Quality Officer, presented the Quality Dashboard for the quarter ending June 30, 2023, comparing WHHS statistics to State and National Benchmarks. There were zero Hospital Acquired MSRA in the past quarter, which was lower than the 0.62 predicted number of infections. We had zero Catheter Associated Urinary Tract Infections (CAUTI), which was lower than the 0.988 predicted number of infections; zero Central Line Bloodstream Infections

*QUALITY REPORT:
QUALITY DASHBOARD
Q/E JUNE 2023*

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(CLABSI), which was lower than the 1.705 predicted number of infections; zero Surgical Site Infection (SSI) following Colon Surgery, which was lower than the 0.306 predicted number of infections. We had zero SSI following Abdominal Surgery, which was lower than the 0.137 predicted number of infections, and two hospital-wide Clostridium Difficile (C.diff) infections, which was lower than the 8.412 predicted number of infections. Hand Hygiene was at 86%.

Moderate fall with injury rate was lower than national rate for the quarter at 0.19. Hospital Acquired Pressure Ulcer rate of 0% was lower than the national rate of 1.83% this past quarter.

The 30-day readmission rate for AMI discharges was above the CMS national benchmark (17.6% versus 15%) and a higher percent of 30-day Medicare pneumonia readmissions, compared to the CMS national benchmark (21.2% versus 14.8%). 30-day Medicare Heart Failure readmissions were higher (25% versus 19.8%) than the CMS benchmark. 30-day Medicare Chronic Obstructive Pulmonary Disease (COPD) readmission rate was higher than the CMS benchmark (15% versus 19.8%). The 30-day Medicare CABG readmission rate was lower (0% versus 11.9%) than the CMS benchmark. 30-day Medicare Total Hip Arthroplasty (THA) and/or Total Knee Arthroplasty (TKA) was lower than the CMS benchmark (0% versus 4.1%).

Tom McDonagh, Vice President & Chief Financial Officer, presented the Finance Report for June 2023. The average daily inpatient census was 153.6 with admissions of 858 resulting in 4,607 patient days. Outpatient observation equivalent days were 281. The average length of stay was 5.40 days. The case mix index was 1.488. Deliveries were 124. Surgical cases were 385. The Outpatient visits were 8,649. Emergency visits were 4,683. Cath Lab cases were 150. Joint Replacement cases were 170. Neurosurgical cases were 25. Cardiac Surgical cases were 8. Total FTEs were 1,408.1. FTEs per adjusted occupied bed were 6.36.

FINANCE REPORT

Kimberly Hartz, Chief Executive Officer, presented the Hospital Operations Report for July 2023. Preliminary information for the month indicated total gross revenue at approximately \$193.8 million against a budget of \$206.3.

*HOSPITAL
OPERATIONS REPORT*

The Average Length of Stay was 5.46. The Average Daily Inpatient Census was 152.3. There were 10 discharges with lengths of stay greater than 30 days, ranging from 31-99. Still in house at the end of July were 3 patients with length of stays of over 30 days and counting.

There were 4,722 patient days. There were 460 Surgical Cases and 149 Cath Lab cases at the Hospital. It was noted that there were 49 cases at the Peninsula Surgery Center in July.

Deliveries were 108. Non-Emergency Outpatient visits were 8,242. Emergency Room visits were 4,883. Total Government Sponsored Preliminary Payor Mix was

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71.9%, against the budget of 71.7%. Total FTEs per Adjusted Occupied Bed were 5.94. The Washington Outpatient Surgery Center had 493 cases and the clinics had approximately 14,768 visits.

There were \$375K in charity care adjustments in July.

August Employee of the Month: Zubieda Ramya, Certified Nurse Assistant on 4W.

EMPLOYEE OF THE MONTH

Past Health Promotions & Community Outreach Events:

HOSPITAL CALENDAR

- Thursday Evenings, June 29-August 10: Fremont Summer Concert Series at Central Park Performance Pavilion at Lake Elizabeth
- July 16: WHHS participating in the Mariachi in the Park Festival
- June 21: WHEA organized the CleanStart Mobile Unit Clothing Drive Collection
- July 26: WHHS hosted "Simply the Best" Joint Commission Thank You Celebration
- July 26: Atrial Fibrillation: Symptoms and Treatment Options
- July 29: Road to Wellness: Family Health Fair
- Ongoing Every Monday, Wednesday, Friday, WHHS Food & Nutrition Services contributes to the Daily Bowl Food Donation of excess food products.

Upcoming Health Promotions & Community Outreach Events:

- August 10: Final Fremont Summer Concert Series
- August 12: Bay Area Community Health Ohana Health Fair
- August 14: Nutrition for Healthy Aging at Acacia Creek
- August 15: Welcome Teacher Day at Washington West
- August 16: Heart-Healthy Cooking Made Easy on Facebook Live and YouTube
- August 19: WHHS Health Education Booth at Federation of Indo-Americans' Festival of Globe in Central Fremont
- August 29: Medicare: What You Need to Know in the Anderson Auditorium and Facebook Live and YouTube
- August 31: Dr. Seema Sehgal presents "Understanding Anxiety & Depression" at the Niles Rotary Club
- September 7: Alisa Curry presents "Staying Active as you Age" at Acacia Creek

The Washington Hospital Healthcare Foundation continues to plan for the 37th Annual Top Hat Gala, scheduled for Saturday, October 14, 2023. This year's Top Hat will be a return to traditions of year's past with a lively garden cocktail reception, an elegant seated 3-course meal, a live dinner show... and more! Proceeds from this year's gala will support the expansion of the UCSF-Washington Cancer Center. Invitations will be mailed in late August.

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In accordance with District Law, Policies and Procedures, Dr. Nicholson moved for adoption of Resolution No. 1254 whereby the Board of Directors approve the key terms of a Tentative Agreement to be incorporated into a new Memorandum of Understanding by and between the designated representative of Washington Hospital, that being the Chief Executive Officer and the ILWU Local 6, a recognized majority representative under the terms of Board Resolution 331A.

*ACTION ITEM:
CONSIDERATION OF
RESOLUTION No. 1254:
MEMORANDUM OF
UNDERSTANDING
BETWEEN
WASHINGTON
HOSPITAL AND LOCAL
6*

Roll call was taken:

Bernard Stewart, DDS – aye
Michael Wallace – absent
William Nicholson, MD – aye
Jacob Eapen, MD – aye
Jeannie Yee – aye

Motion approved.

Director Stewart stated: *“Tonight, we have two separate action items regarding the potential issuance of revenue bonds and general obligation bonds by the District. Representatives from our Bond Counsel firm, Lisel Wells and Dia Walwrath, Nixon Peabody LLP, and our financial advisor, KaufmanHall, Jeff Sahrbeck, are present and available to answer any questions regarding these items.*

*ACTION ITEM:
CONSIDERATION OF
RESOLUTION NO. 1255:
APPROVING THE
ISSUANCE OF AND
DETERMINING TO
PROCEED WITH THE
NEGOTIATED SALE OF
CERTAIN REVENUE
BONDS OF THE
DISTRICT IN AN
AGGREGATE
PRINCIPAL AMOUNT
NOT TO EXCEED
\$40,000,000,
APPROVING THE
EXECUTION AND
DELIVERY OF A
SUPPLEMENTAL
INDENTURE, A
CONTINUING
DISCLOSURE
AGREEMENT, A
PRELIMINARY
OFFICIAL STATEMENT
AND CERTAIN OTHER
ACTIONS RELATED
THERE TO*

Item VII., B. on the Agenda, Resolution No. 1255, entitled “Resolution of the Board of Directors of the Washington Township Health Care District approving the issuance and sale of and determining to proceed with the negotiated sale of certain Revenue Bonds of the District in an aggregate principal amount not to exceed \$40,000,000, approving the execution and delivery of a Supplemental Indenture, a Continuing Disclosure Agreement, a Preliminary Official Statement and certain other actions related thereto.” Approval by 4/5 of the Members of the Board is required in order to proceed with the issuance of said Bonds.

Director Stewart asked if there were any comments from the Members of the Board. There were no questions or comments regarding this Resolution from the Board.

Director Stewart asked if there were any comments from the members of the public. There were no questions or comments regarding this Resolution from the public.

Dr. Nicholson moved for approval of Resolution No. 1255. Director Yee seconded the motion.

Roll call was taken:

Bernard Stewart, DDS – aye
William Nicholson, MD – aye

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Jacob Eapen, MD – aye
Michael Wallace – absent
Jeannie Yee – aye

Motion Approved.

Item VII., C. on the Agenda, Resolution No. 1256, entitled “Resolution of the Board of Directors of Washington Township Health Care District authorizing the issuance and determining to proceed with negotiated sale of certain General Obligation Bonds of the District in an aggregate principal amount not to exceed \$125,000,000, and approving certain other matters relating to the Bonds.” Approval of a majority of the Members of the Board is required in order to proceed with the issuance of said Bonds.

*ACTION ITEM:
CONSIDERATION OF
RESOLUTION NO. 1256:
AUTHORIZING THE
ISSUANCE AND
DETERMINING TO
PROCEED WITH
NEGOTIATED SALE OF
CERTAIN GENERAL
OBLIGATION BONDS
OF THE DISTRICT IN
AN AGGREGATE
PRINCIPAL AMOUNT
NOT TO EXCEED
\$125,000,000, AND
APPROVING CERTAIN
OTHER MATTERS
RELATING TO THE
BONDS*

Director Stewart asked if there were any comments from the Members of the Board. There were no questions or comments regarding this Resolution from the Board.

Director Stewart asked if there were any comments from the members of the public. There were no questions or comments regarding this Resolution from the public.

Dr. Nicholson moved for approval of Resolution No. 1256. Director Eapen seconded the motion.

Roll call was taken:

Bernard Stewart, DDS – aye
William Nicholson, MD – aye
Jacob Eapen, MD – aye
Michael Wallace – absent
Jeannie Yee – aye

Motion Approved.

There were no announcements.

ANNOUNCEMENTS

There being no further business, Director Stewart adjourned the meeting at 7:39 p.m.

ADJOURNMENT

DocuSigned by:
Bernard Stewart
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Bernard Stewart, DDS
President

DocuSigned by:
Jeannie Yee
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Jeannie Yee
Secretary

**RESOLUTION NO. 1254
ILWU, LOCAL 6**

Washington Township Health Care District, a local health care district, does hereby resolve as follows:

Attached hereto and incorporated herein are the key terms of a Tentative Agreement to be incorporated into a new Memorandum of Understanding by and between the designated representative of Washington Hospital, that being the Chief Executive Officer, and the ILWU Local 6, a recognized majority representative under the terms of Board Resolution 331A.

The terms and conditions of the Memorandum which outlines the key terms will be implemented in their entirety effective on the various dates specified with the Memorandum.

Passed and adopted by the Board of Directors of Washington Township Health Care District this 9th day of August, 2023, by the following vote:

AYES: Directors Stewart, Nicholson, Yee, Eapen

NOES:

ABSENT: Director Wallace

DocuSigned by:
Bernard Stewart
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Bernard Stewart, DDS
President of the Washington Township
Health Care District Board of Directors

DocuSigned by:
Jeannie Yee
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Jeannie Yee
Secretary of the Washington Township
Health Care District Board of Directors



Washington Hospital
Healthcare System

S I N C E 1 9 4 8

Memorandum

DATE: August 4, 2023

TO: Kimberly Hartz
Chief Executive Officer

FROM: John Zubiena
Chief Human Resources Officer

SUBJECT: **ILWU, Local 6 Agreement**

Staff have been in negotiations with Local 6 to work out a successor contract. Local 6 has 65 members representing Radiology Technicians, Cath Lab Technicians, Sonographers, Ultrasound Technicians, and CT Technicians.

Washington Hospital and Local 6 have reached a Tentative Agreement on a new, 3-year contract which was ratified by the Local 6 membership on August 3, 2023. The recommendation is for the Washington Township Health Care District Board of Directors to approve the Agreement with the key terms as outlined below:

- Wage Increases
 - **Year 1**
 - \$5.00 across the board increase to base rate of pay for all positions except CT Technologists and Leads, retroactive to the first pay period beginning on or after January 1, 2023
 - Combine Radiologic Technologists and Sr. Radiologic Technologists into one classification on a single wage scale of nine steps
 - Add CT Technologist as a classification with nine steps that have a salary range equivalent to 5% above the new Radiologic Technologist wage scale. (The two new steps for CT Tech would be added to the front end.)

Increase the salary range for the Cath Lab Radiologic Technologist position so that Steps 1 through 7 of the Cath Lab wage scale are equivalent to approximately five percent (5%) above the wage scale for the new Steps 3 to 9 of the CT Technologist position. As a

result, all Cath Lab Radiologic Technologists will received an additional 3.25% across the board increase retroactive to the first pay period beginning on or after January 1, 2023

- Lead Technologists to be paid at a wage rate of 12% above Step 6 in their corresponding classifications, or above Step 7 for those Lead Technologists who qualify. Lead Technologists in Radiology and CT will be paid at a wage rate of 12% above Step 8 in their classifications, or above Step 9 for those Lead Radiologic Technologists who qualify. Lead Technologists who qualify in Mammography will be paid at a wage rate of 12% above Step 8 in the CT Technologist classification, or above Step 9 if qualified.
- **Year 2** – 3% across the board increase for all positions
- **Year 3** – 2.75% across the board increase for all positions
- New Longevity Step – Addition of a longevity step for 20 years of service with a 3.5% increase above the 15-year step.
- Differentials
 - Lead Technologist relief – Increase from \$3.00 to \$3.75
 - Evening – Increase from \$3.00 to \$3.50
 - Night – Increase from \$4.25 to \$5.25
 - Weekend – Increase from \$1.50 to \$3.00. If any two hours (instead of the current four hours) fall within between 7:00 a.m. on Saturday and 7:00 a.m. on Monday, then the weekend differential shall apply to the entire shift.
 - Create Preceptor Pay at \$2.00 on hours working directly with new hires and cross-training. Preceptor Pay shall not apply to training of students.
 - Clinical Instructor Pay – Keep at \$2.50, but pay on “all hours paid”
- Meal and Rest Breaks – Add language to Workweek section to provide for meal and rest breaks and to add penalty pay in accordance with California Senate Bill 1334.

- On-Call and Call-In Work
 - Add Radiologic Technologists to list of classifications that receive time and a half their straight rate of pay, and a guaranteed minimum of 3 hours worked when called-in.
 - Maintain fourth (4th) staff member to the Call Team for the Cath Lab on Saturday and Sunday shifts.
- Call Back for Technologists Not On Call
 - Increase the time for regular full-time and part-time Technologists who are not on call or on a scheduled shift to report for weekday call back from 4 hours to 8 hours in order to be eligible for call back pay.
 - Addition of the following language: "Inquiries for Call-Backs will be made in order of seniority and be filled by the first technologist who answers their phone and is willing to work the shift."
- Educational Leave – Add language to establish parameters for employees who utilize Educational Leave for home study.
- Bereavement Leave – Update to bring into compliance with new California law.
 - Eliminate the restriction on the two additional unpaid days of Bereavement Leave being only for employees who need to attend a funeral outside of CA or outside of 400 miles radius of hospital.¹
 - Add language to reflect that per diem employees will be granted up to five (5) days of bereavement leave, without pay, in the case of the death of the employee's immediate family member.
- Benefits re-opener: Parties agree that, prior to December 31, 2025, the Hospital may, at its sole discretion, re-open the contract to negotiate benefits between the Hospital, Local 6 and Local 6's members. The Hospital may not re-open the contract more than once prior to December 31, 2025, absent Local 6's agreement.

¹ New California law requires employers to provide 5 days of bereavement leave for the death of a qualifying family member. If an employer has an existing bereavement leave policy that permits employees to take less than five days of paid bereavement leave (as WHHS does), then the employer must continue to permit its employees to take paid bereavement leave for as long as the existing policy allows, and the employer must, at a minimum, add unpaid bereavement leave days until the total number of bereavement leave days is five days. There cannot be any conditions placed on the receipt of those 5 days of protected leave, such as the existing distance requirement.

RESOLUTION NO. 1255

RESOLUTION OF THE BOARD OF DIRECTORS OF WASHINGTON TOWNSHIP HEALTH CARE DISTRICT APPROVING THE ISSUANCE OF AND DETERMINING TO PROCEED WITH THE NEGOTIATED SALE OF CERTAIN REVENUE BONDS OF THE DISTRICT IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$40,000,000 APPROVING THE EXECUTION AND DELIVERY OF A SUPPLEMENTAL INDENTURE, A CONTINUING DISCLOSURE AGREEMENT, A PRELIMINARY OFFICIAL STATEMENT AND CERTAIN OTHER ACTIONS RELATED THERETO

WHEREAS, the Washington Township Health Care District (the “District”), County of Alameda, State of California (the “State”), a local healthcare district, is duly organized and existing under the laws of the State, particularly the Local Health Care District Law, constituting Division 23 of the Health and Safety Code of the State; and

WHEREAS, the District has previously issued and sold certain of its revenue bonds under and pursuant to that certain Indenture, dated as of July 1, 1993 (the “Original Indenture”), by and between the District and Union Bank, N.A., as the initial trustee, since succeeded by U.S. Bank Trust Company, National Association, as Trustee (the “Trustee”), as subsequently supplemented and amended (as so amended, the “Indenture”); and

WHEREAS, pursuant to the provisions of Section 32315 *et seq.* of the Health and Safety Code of the State (the “Authorizing Law”), the District may issue its revenue bonds to provide funds for the acquisition, construction, improvement, financing or refinancing of its facilities upon favorable terms, subject to certain requirements; and

WHEREAS, this Board of Directors of the District (the “Board”) has determined that conditions in the municipal markets are favorable for the authorization, sale and issuance of hospital revenue bonds designated as the Washington Township Health Care District Revenue Bonds, 2023 Series A (the “Bonds”) with such insertions as shall be appropriate to describe the authorizations for said Bonds, or any other changes as are agreed to by an Authorized Officer, as evidenced by his or her execution of the purchase contract for the Bonds, previously submitted to and approved by this Board on July 26, 2023 (the “Purchase Contract”), and shall be revenue obligations of the District, secured by the pledge of Revenues, to be issued, in an estimated amount not to exceed \$40,000,000 in aggregate principal amount; and

WHEREAS, the Bonds shall be issued as Additional Bonds pursuant to the Indenture; and

WHEREAS, the Board has also determined that market conditions and other factors make it necessary and advisable for the Board to sell the Bonds pursuant to a negotiated sale to BofA Securities, Inc., as underwriter (the “Underwriter”); and

WHEREAS, there have been presented to this meeting of the Board forms of the following documents for consideration in connection with the proposed issuance of the Bonds:

- (a) A form of Eleventh Supplemental Indenture (the “Eleventh Supplemental Indenture”), by and between the District and the Trustee;
- (b) A form of Preliminary Official Statement (the “Preliminary Official Statement”), pursuant to which the Bonds will be marketed by the Underwriter; and
- (c) A form of Continuing Disclosure Agreement (the “Continuing Disclosure Agreement”), to be entered into by the District with [Hilltop Securities] for the purposes of compliance with Rule 15c2-12 of the Securities Exchange Commission promulgated under the Securities Exchange Act of 1934, as amended (the “Rule”); and

WHEREAS, pursuant to Section 5852.1 of the Government Code of the State, the District has disclosed prior to adoption of this Resolution the following good faith estimates of certain information provided to the District by the Underwriter: (a) the true interest cost of the Bonds is estimated to be 5.30%, (b) the finance charge, or amount paid to third parties (which includes Underwriter’s discount) in connection with the sale, of the Bonds is estimated to be \$500,000, (c) the amount of proceeds received by the District from the sale of the Bonds is expected to be \$40,000,000, and (d) the sum total of all payments the District will make to the final maturity of the Bonds is expected to be \$100,000,000; and

WHEREAS, all acts, conditions and things required by law to be done or performed have been done and performed in strict conformity with the laws authorizing the issuance of the Bonds, and the indebtedness of the District, including the proposed issue of the Bonds, is within all limits proscribed by law;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Washington Township Health Care District, County of Alameda, State of California, as follows:

1. Recitals. The Board determines that the foregoing recitals are true and correct.
2. Definitions. The capitalized terms as used herein shall, for all purposes of this Resolution, have the meanings set forth in the Recitals hereof, in the Indenture or as ascribed to them below, unless the context clearly requires some other meaning.

- (a) “Bond Counsel” means Nixon Peabody LLP, or any other attorney or firm of attorneys nationally recognized for expertise in rendering opinions as to the legality and tax status of securities issued by public entities.
- (b) “Closing Date” means the date upon which there is an exchange of Bonds for the proceeds representing the purchase price of the Bonds by the Underwriter.
- (c) “Code” means the Internal Revenue Code of 1986, as amended and as in effect on the date of issuance of the Bonds or (except as otherwise

referenced herein) as it may be amended to apply to obligations issued on the Closing Date, together with applicable proposed, temporary and final regulations promulgated, and applicable official public guidance published, under the Code.

- (d) “Cost of Issuance” means all items of expense directly or indirectly reimbursable to the District relating to the issuance, execution and delivery of the Bonds, including, but not limited to, filing and recording costs, settlement costs, printing costs, reproduction and binding costs, legal fees and charges, fees and expenses of the Trustee, financial and other professional consultant fees, Municipal Advisor and Bond Counsel fees, costs of obtaining credit ratings, municipal bond insurance premiums, if such insurance is determined to be advisable, and all charges and expenses in connection with the foregoing.
- (e) “Owner” shall mean the registered owner, as indicated in the registration books of the Trustee, of any Bond.
- (f) “Resolution” means this Resolution.
- (g) “Special Counsel” means Mary K. Norvell, Attorney at Law.
- (h) “Tax and Nonarbitrage Certificate” means the certificate of the District to be delivered on the Closing Date, setting forth the requirements of the Code applicable to the Bonds.

3. Purpose of Bonds. That for the purpose of providing funds to (i) finance the acquisition, construction, and improvement of certain District facilities, and (ii) pay the cost of issuance of the Bonds, the Board hereby authorizes the issuance of the Bonds in accordance with the requirements of the Authorizing Law and the Indenture, in an aggregate principal amount not to exceed \$40,000,000 which is expected to be issued for such purposes. The true interest cost of the Bonds shall not exceed 6.00% per annum, payable semiannually.

4. Appointment of Consultants; Terms and Conditions of Sale; Approval of Legal Documents.

- (a) The Board hereby confirms the appointment of Mary K. Norvell, Attorney at Law, as Special Counsel to the District, Kaufman Hall, as Municipal Advisor to the District, Nixon Peabody LLP, as Bond Counsel to the District, BofA Securities, Inc., as Underwriter in connection with the sale and issuance of the Bonds.
- (b) The Bonds shall be issued upon the terms and conditions established in the Eleventh Supplemental Indenture, and shall be issued in fully registered form, in the authorized denominations of \$5,000 or any integral multiple thereof, substantially in the form appended to the Tenth Supplemental Indenture.

- (c) The Chief Executive Officer of the District, the Vice President and Chief Financial Officer of the District, or any designee of any of the foregoing (each, an “Authorized Officer”) and each of them acting alone, is hereby authorized, in the name and on behalf of the District, to execute the Purchase Contract in substantially the same form as previously presented to and approved by this Board, with such additional information included therein as is dependent upon pricing of the Bonds and with such additions, changes or corrections therein as the Authorized Officer executing the same on behalf of the District may approve, in his or her discretion, as being in the best interests of the District, such approval to be conclusively evidenced by such Authorized Officer’s execution thereof, so long as the aggregate principal amount of the Bonds shall not exceed Forty Million Dollars (\$40,000,000), so long as the Underwriter’s discount with respect to the Bonds shall not exceed one percent (1%) of the principal amount of the Bonds and so long as the true interest cost of the Bonds shall not exceed 6.00% per annum. The Bonds shall have a maximum maturity of 30 years and the Bonds may be sold at par, at a discount or with an original issue premium.
- (d) The District acknowledges receipt from the Underwriter of its letter respecting compliance with Rule G-17 of the Municipal Securities Rulemaking Board (the “MSRB”).

5. Supplemental Indenture. The proposed form of the Eleventh Supplemental Indenture presented to and considered by the Board at this meeting is hereby approved. The Authorized Officers are, and each of them acting alone is, hereby authorized and directed, for and in the name of the District, to execute and deliver to the Trustee the Eleventh Supplemental Indenture in substantially said form, with such changes therein as the Authorized Officer executing the same may require or approve, such requirement or approval to be conclusively evidenced by the execution of the Eleventh Supplemental Indenture by said Authorized Officer. The Bonds may be issued as serial Bonds or term Bonds and shall be subject to optional redemption prior to their respective maturity dates, or mandatory sinking fund redemption, on the dates and at the prices as set forth in the Eleventh Supplemental Indenture.

6. Preliminary Official Statement and Official Statement. The Preliminary Official Statement relating to the Bonds presented to and considered by the Board at this meeting is hereby approved. This Board also hereby authorizes the use and distribution of: (a) a Preliminary Official Statement in substantially the form presented to this Board with such changes as the Authorized Officer executing the certificate described below may approve, such approval to be conclusively evidenced by the execution of such certificate by such Authorized Officer; (b) an official statement in substantially the form of the Preliminary Official Statement with such changes as may be necessary or desirable in connection with the sale of the Bonds as determined by the Authorized Officer executing the same (the “Official Statement”), such determination to be conclusively evidenced by the execution and delivery of the Official Statement by such Authorized Officer and (c) any amendments or supplements to the Preliminary Official Statement or the Official Statement which an Authorized Officer may deem necessary or desirable, such determination to be conclusively evidenced by the execution of such

amendment or supplement or of a certificate as described below by such Authorized Officer. The Authorized Officers are, and each of them acting alone is, hereby authorized to approve such additions, deletions or changes to the Preliminary Official Statement and Official Statement, as are necessary or desirable to effect the purposes of this Resolution and to comply with applicable laws and to deliver copies of the Preliminary Official Statement and the Official Statement to the Underwriter and prospective purchasers of the Bonds, and to execute the Official Statement. Upon approval of the Preliminary Official Statement by an Authorized Officer (such approval to be evidenced by execution of a certificate substantially in the form of Exhibit A attached hereto and by this reference incorporated herein, with such changes as may be necessary or advisable), such Preliminary Official Statement shall be deemed final as of its date except for the omission of certain information as provided in and pursuant to the Rule.

7. Continuing Disclosure Agreement. The form of Continuing Disclosure Agreement, substantially in the form appended to the Preliminary Official Statement and presented to and considered by the Board at this meeting, is hereby approved and the Board hereby authorizes any Authorized Officer to execute the Continuing Disclosure Agreement with such changes therein as may be approved by the Authorized Officer executing the same. The District hereby covenants and agrees that it will comply with and carry out all of the provisions of such Continuing Disclosure Agreement in order to assist the Underwriter in complying with the requirements of the Rule. Any Owner may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the District to comply with its obligations under this Section; however, noncompliance with this Section shall not constitute a default under or cause the acceleration of the Bonds.

8. Purchase Contract. The Authorized Officers are, and each of them acting alone is, authorized and directed to execute and deliver the Purchase Contract for and in the name and on behalf of the District, with such additions, changes or corrections therein as the Authorized Officer executing the same on behalf of the District may approve, in his or her discretion, as being in the best interests of the District including, without limitation (i) such changes as are necessary to reflect the final terms of the Bonds to the extent such terms differ from those set forth in this Resolution, such approval to be conclusively evidenced by such Authorized Officer's execution thereof and (ii) any other documents required to be executed thereunder. The Authorized Officers are, and each of them acting alone is, hereby authorized and directed to determine the specific maturities and amounts of the Bonds, so long as the parameters therefor set forth in Section 4(c) hereof are met, based upon market conditions existing at the time of the pricing of the Bonds.

9. Payment of the Bonds. The Bonds shall be payable solely from the Revenues to be received by the District from the operation of its health care facilities and shall not be deemed to constitute a debt or liability of the District under any constitutional charter or statutory debt limitation. Neither the faith and credit nor the taxing power of the District shall be pledged to the payment of the principal of or interest on the Bonds.

10. Tax Covenants of the District.

- (a) The District covenants that it will take any and all actions necessary to assure compliance with Section 148(f) of the Code, relating to the rebate

of excess investment earnings, if any, to the federal government, to the extent that such Section is applicable to the Bonds.

- (b) The District covenants that it shall not take any action, or fail to take any action, if such action or failure to take such action would adversely affect the exclusion from gross income of the interest payable on the Bonds under Section 103 of the Code.
- (c) The District covenants that it shall comply with the provisions of the Tax and Nonarbitrage Certificate.

11. Necessary Acts and Conditions. This Board determines that all acts and conditions necessary to be performed by the Board or which have been precedent to in the issuing of the Bonds in order to make them legal, valid and binding revenue bonds of the District have been performed and have been met, or will at the time of delivery of the Bonds have been performed and have been met, in regular and due form as required by law; that no statutory or constitutional limitation of indebtedness or taxation will have been exceeded in the issuance of the Bonds; and that due provision has been made for levying and collecting Revenues in an amount sufficient to pay principal of and interest on the Bonds when due.

12. Approval of Actions. Members of the Board and Authorized Officers of the District are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents, certificates, instruments, and agreements supplemental to the foregoing, which they may deem necessary or advisable in order to proceed with the issuance of the Bonds and otherwise carry out, give effect to and comply with the terms and intent of this Resolution, and to take all additional actions as may do the same in order to permit the issuance of the Bonds in the manner and on the terms set forth in this Resolution. Such actions heretofore taken by such officers, officials and staff are hereby ratified, confirmed and approved.

13. Effective Date. This Resolution shall take effect immediately upon its passage.

PASSED AND ADOPTED at a regular meeting of the Board of Directors of Washington Township Health Care District, duly called and at which a quorum was present and acting throughout, conducted at a location freely accessible to the public this 9th day of August, 2023, in Fremont, California, by the following vote:

AYES: Members: Director Stewart, Nicholson, Yee, Eapen

NOES: Members: _____

ABSENT: Members: Director Wallace

ABSTENTIONS: Members: _____

DocuSigned by:
Bernard Stewart
FE0D000E54044E2...
Bernard Stewart
President of the Washington Township Health
Care District Board of Directors

Attest:

DocuSigned by:
Jeannie Yee
02007A853E4B4BA...
Jeannie Yee
Secretary of the Washington Township
Health Care District Board of Directors

EXHIBIT A

FORM OF 15C2-12 CERTIFICATE

With respect to the proposed sale of its Revenue Bonds, 2023 Series A, in the maximum aggregate principal amount of not to exceed \$40,000,000, the Washington Township Health Care District (the “**District**”) has delivered to you a Preliminary Official Statement, dated as of the date hereof (the “**Preliminary Official Statement**”). The District, for purposes of compliance with Rule 15c2-12 of the Securities Exchange Act of 1934, as amended (“**Rule 15c2-12**”), deems the Preliminary Official Statement to be final as of its date, except for the omission of no more than the information permitted under Rule 15c2-12.

WASHINGTON TOWNSHIP HEALTH
CARE DISTRICT

Dated: 8/25/2023

DocuSigned by:
Kimberly Hartz
By: _____
23AF612EA9BB42D...
Kimberly Hartz
Chief Executive Officer

**RESOLUTION OF THE BOARD OF DIRECTORS OF
WASHINGTON TOWNSHIP HEALTH CARE DISTRICT
AUTHORIZING THE ISSUANCE AND DETERMINING TO
PROCEED WITH NEGOTIATED SALE OF CERTAIN
GENERAL OBLIGATION BONDS OF THE DISTRICT IN AN
AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED
\$125,000,000, AND APPROVING CERTAIN OTHER
MATTERS RELATING TO THE BONDS**

RESOLUTION NO. 1256

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**RESOLUTION OF THE BOARD OF DIRECTORS OF
WASHINGTON TOWNSHIP HEALTH CARE DISTRICT
AUTHORIZING THE ISSUANCE AND DETERMINING TO
PROCEED WITH NEGOTIATED SALE OF CERTAIN
GENERAL OBLIGATION BONDS OF THE DISTRICT IN AN
AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED
\$125,000,000, AND APPROVING CERTAIN OTHER
MATTERS RELATING TO THE BONDS**

RESOLUTION NO. 1256

WHEREAS, a duly called election was held in the Washington Township Health Care District, a health care district duly organized and existing under the laws of the State of California (the "District"), County of Alameda, California (the "County"), on November 3, 2020, and thereafter canvassed pursuant to law (the "2020 Election"); and

WHEREAS, at the 2020 Election, there was submitted to and approved by the requisite two-thirds (2/3) vote of the qualified electors of the District a question as to the issuance and sale of general obligation bonds of the District for the purpose of acquiring, maintaining, constructing or improving real property of the District, all as authorized under Section 32300 *et seq.* of the Health and Safety Code of the State of California (the "Authorizing Law"), in the maximum amount of four hundred twenty-five million dollars (\$425,000,000), payable from the levy of an *ad valorem* tax against the taxable property in the District (the "2020 Authorization"); and

WHEREAS, the District has previously issued \$20,000,000 aggregate principal amount of general obligation bonds under the 2020 Authorization, leaving the amount of \$405,000,000 amount of such bonds unissued; and

WHEREAS, this Board of Directors of the District (the "Board") has determined the present need for the sale and issuance of not to exceed \$125,000,000 aggregate principal amount of general obligation bonds under the 2020 Authorization (as hereinafter designated, the "Bonds"); and

WHEREAS, the Board has also determined that market conditions and other factors make it necessary and advisable for the Board to sell the Bonds pursuant to negotiated sale to BofA Securities, Inc. (the "Underwriter"); and

WHEREAS, pursuant to Senate Bill 450 (Chapter 625, Statutes of 2017, codified as Government Code Section 5852.1) ("SB 450"), the District has disclosed prior to adoption of this Resolution the following good-faith estimates of certain information provided to the District by the Underwriter: (a) the true interest cost of the Bonds is estimated to be 4.90%; (b) the finance charge, or amount to be paid to third parties (which includes Underwriter's discount) in connection with the sale of the Bonds, is estimated to be \$1,500,000, (c) the amount of proceeds received by the District from the sale of the Bonds is expected to be \$125,000,000, and (d) the sum total of all payments the District will make to the final maturity of the Bonds is expected to be \$300,000,000; and

WHEREAS, the pledge included in this Resolution to secure payment of the Bonds is intended to be a consensual agreement with the registered owners of the Bonds; and

WHEREAS, the Board desires that the Treasurer-Tax Collector of the County (the “Treasurer”) should levy and collect an *ad valorem* property tax on all taxable property within the District sufficient to provide for payment of the Bonds and intends by the adoption of this Resolution to notify the Board of Supervisors of the County, the Auditor-Controller, the Treasurer and other officials of the County that they should take such actions as shall be necessary to provide for the levy and collection of such tax and the timely payment of the Bonds; and

WHEREAS, all acts, conditions and things required by law to be done or performed have been done and performed in strict conformity with the laws authorizing the issuance of general obligation bonds of the District, and the indebtedness of the District, including the proposed issue of Bonds, is within all limits proscribed by law; and

NOW, THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED by the Board of Directors of the Washington Township Health Care District, County of Alameda, State of California, as follows:

1. Recitals. The Board determines that the foregoing recitals are true and correct.
2. Definitions. The terms defined in this Section, as used and capitalized herein, shall, for all purposes of this Resolution, have the meanings set forth in the Recitals hereof or as ascribed to them below, unless the context clearly requires some other meaning.
 - (a) “Auditor-Controller” means the Auditor-Controller of the County.
 - (b) “Authorized Officer” means the Chief Executive Officer of the District, the Vice President and Chief Financial Officer of the District, or a designee of any thereof.
 - (c) “Authorizing Law” means Section 53506 *et seq.* of the Government Code of the State of California.
 - (d) “Bond Counsel” means Nixon Peabody LLP, or any other attorney or firm of attorneys nationally recognized for expertise in rendering opinions as to the legality and tax status of securities issued by public entities.
 - (e) “Bond Payment Date” means (unless otherwise provided in the Bond Purchase Contract), February 1 and August 1 of each year, commencing February 1, 2024, with respect to interest payments on the Bonds and August 1 of each year commencing August 1, 2025, with respect to principal payments on the Bonds, as further set forth in the Bond Purchase Contract.

- (f) “Bond Purchase Contract” means that certain Bond Purchase Contract, by and between the District and the Underwriter, presented to and considered at this meeting of the Board respecting the purchase and sale of the Bonds.
- (g) “Bond Register” means all books and records necessary for the registration, exchange and transfer of the Bonds, to be maintained, if necessary, by the Paying Agent.
- (h) “Bonds” means those general obligation bonds to be issued by the District under this Resolution, designated “Washington Township Health Care District (Alameda County, California) 2020 Election General Obligation Bonds, 2023 Series B.”
- (i) “Business Day” means a day other than a Saturday, a Sunday or a day on which the New York Stock Exchange is closed or banks in San Francisco, California, or New York, New York, are authorized or obligated by law or executive order to close.
- (j) “Closing Date” means the date upon which there is an exchange of Bonds for the proceeds representing the purchase price of the Bonds by the Underwriter.
- (k) “Code” means the Internal Revenue Code of 1986, as amended and as in effect on the Closing Date or as it is amended to apply to obligations issued on the Closing Date, together with applicable proposed, temporary and final regulations promulgated, and applicable official public guidance published, under the Code.
- (l) “Continuing Disclosure Agreement” means that certain Continuing Disclosure Agreement, substantially in the form appended to the Preliminary Official Statement as Appendix C, to be executed as of the Closing Date by the District and a designated dissemination agent.
- (m) “Cost of Issuance” means all items of expense directly or indirectly reimbursable to the District relating to the issuance, execution and delivery of the Bonds including, but not limited to, filing and recording costs, settlement costs, printing costs, reproduction and binding costs, legal fees and charges, fees and expenses of the Paying Agent, financial and other professional consultant fees, CUSIP service bureau charges; costs of obtaining credit ratings, municipal bond insurance premiums, if such insurance is determined to be advisable, and charges and fees in connection with the foregoing to the extent such fees and expenses are approved by the District.
- (n) “Depository” means DTC and its successors and assigns or if (a) the then-acting Depository resigns from its functions as securities depository of the Bonds, or (b) the District discontinues use of the Depository pursuant to this Resolution, any other securities depository which agrees to follow

procedures required to be followed by a securities depository in connection with the Bonds.

- (o) “DTC” means The Depository Trust Company, New York, New York.
- (p) “Interest and Sinking Fund” or “2023B Interest and Sinking Fund” means the “Washington Township Health Care District General Obligation Bonds 2023 Series B Interest and Sinking Fund” established and maintained by the Paying Agent in connection with the Bonds, in accordance with Section 11 of this Resolution.
- (q) “MSRB” means the Municipal Securities Rulemaking Board or any other entity designated or authorized by the Securities and Exchange Commission to receive the reports described in the Continuing Disclosure Agreement. Until otherwise designated by the MSRB or the Securities and Exchange Commission, filings with the MSRB are to be made through the Electronic Municipal Market Access (EMMA) website of the MSRB, currently located at <http://emma.msrb.org>.
- (r) “Nominee” means the nominee of DTC, in which whose name the Bonds will be registered. The initial Nominee shall be Cede & Co.
- (s) “Official Statement” means the final official statement of the District describing the Bonds.
- (t) “Outstanding,” when used as of any particular time with reference to Bonds, means all Bonds of that Series except:
 - (i) Bonds theretofore canceled by the Paying Agent or surrendered to the Paying Agent for cancellation;
 - (ii) Bonds for the payment or redemption of which funds or eligible securities in the necessary amount shall have been set aside (whether on or prior to the maturity or redemption date of such Bonds), in accordance with Section 21 of this Resolution; and
 - (iii) Bonds in lieu of or in substitution for which other Bonds shall have been authorized, executed, issued and delivered pursuant to this Resolution.
- (u) “Owner” means any person who shall be the registered owner of any Outstanding Bond.
- (v) “Participant” means a participant within DTC.
- (w) “Paying Agent” means U.S. Bank Trust Company, National Association, in its capacity as Paying Agent for the Bonds.

- (x) “Paying Agent Agreement” means that certain paying agent agreement entered into by the District and the Paying Agent pursuant to the issuance of the Bonds.
- (y) “Pledged Moneys” shall have the meaning given to that term in Section 11 of this Resolution.
- (z) “Preliminary Official Statement” means the preliminary official statement respecting the Bonds, in the form presented to and considered at this meeting of the Board.
- (aa) “Projects” means any of the acquisitions and improvements to real property authorized at the 2020 Election, as further discussed in Section 18 below.
- (bb) “Record Date” means the day concluding at the close of business on the 15th calendar day of the calendar month next preceding each Bond Payment Date.
- (cc) “Resolution” means this Resolution.
- (dd) “Series” refers to a series of Bonds designated as such.
- (ee) “Special Counsel” means Mary K. Norvell, Attorney at Law.
- (ff) “State” means the State of California.
- (gg) “Supplemental Resolution” means any resolution supplemental to or amendatory of this Resolution, adopted by the Board in accordance with Section 20 hereof.
- (hh) “Tax and Nonarbitrage Certificate” means the certificate of the District delivered in connection with the issuance of the Bonds.

3. Authority for this Resolution. This Resolution is adopted pursuant to the 2020 Election, the Constitution of the State and the provisions of the Authorizing Law.

4. Purpose of Bonds. That for the purpose of providing funds for the acquisition and construction of facilities to be used by the District for its public health functions, the Board hereby authorizes the issuance of the Bonds in an aggregate principal amount of not to exceed \$125,000,000.

5. Appointment of Consultants; Terms and Conditions of Sale; Bond Purchase Contract.

- (a) The Board hereby confirms the appointment of Mary K. Norvell, Attorney at Law, as Special Counsel to the District, Kaufman Hall, as special consultant to the District, Nixon Peabody LLP, as Bond Counsel to the

District, and BofA Securities, Inc., as Underwriter in connection with the sale and issuance of the Bonds.

- (b) The Bonds shall be sold by negotiated sale to the Underwriter inasmuch as such a sale: (i) will allow the District to integrate the sale of the Bonds with other public issuances undertaken or to be undertaken, by the District; (ii) will allow the District to utilize the services of consultants who are familiar with the financial needs, status and plans of the District; (iii) will allow the District to control the timing of the sale of the Bonds to the municipal bond market and, potentially, take advantage of interest rate opportunities for favorable sale of the Bonds to such market. The Bonds shall therefore be issued upon the terms and conditions established in the Bond Purchase Contract, and shall be issued in fully registered form, in the authorized denominations of \$5,000 or any integral multiple thereof. If bond insurance or other credit enhancement with respect to the Bonds is obtained, each Authorized Officer, acting alone, is hereby authorized to make such additions or changes to the documents approved by this Resolution as such Authorized Officer may approve as being in the best interests of the District, such action to be conclusively evidenced by the execution and delivery thereof.

Each Bond shall be dated its date of initial issuance (or other such date as may be designated in the Bond Purchase Contract) and shall bear interest from the Bond Payment Date next preceding the date of authentication thereof, unless it is authenticated as of a day during the period from the 16th day of the month next preceding any Bond Payment Date to that Bond Payment Date, inclusive, in which event it shall bear interest from such Bond Payment Date, unless it is authenticated on or before the first designated Interest Payment Date therefor, in which event, it shall bear interest from the Closing Date, as appropriate (unless otherwise provided in the Bond Purchase Contract). Interest on the Bonds shall be computed on the basis of a 360-day year of twelve thirty-day months, unless otherwise specified in the Bond Purchase Contract.

- (c) There has been submitted to this Board the form of Bond Purchase Contract which such form is hereby approved. The Authorized Officers are, and each of them acting alone is, hereby authorized and directed, in the name and on behalf of the District, to execute the Bond Purchase Contract in substantially the same form as submitted to this Board, with such additional information included therein as is dependent upon pricing of the Bonds and with such additions, changes or corrections therein as the officer executing the same on behalf of the District may approve, in his or her discretion, as being in the best interests of the District, and such approval shall be conclusive evidence by such officer's execution thereof, so long as the aggregate principal amount of the Bonds shall not exceed One Hundred Twenty-Five Million Dollars (\$125,000,000), provided that the Underwriter's discount with respect to the Bonds shall not exceed one

percent (1.0%) of the principal amount of the Bonds and so long as the interest rate on the Bonds shall not exceed six percent (6.0%) per annum. The final maturity of the Bonds shall be not later than thirty (30) years from the date of issuance thereof. The Bonds may be sold at par or at an original issue premium. The interest rate on the Bonds shall not exceed the legal maximum allowed under State law. Depending upon market conditions, the Authorized Officer of the District may elect to purchase bond insurance to secure the payment of principal amount of and interest on the Bonds, or any portion thereof.

- (d) The District acknowledges receipt from the Underwriter of its letter respecting compliance with Rule G-17 of the Municipal Securities Rulemaking Board (the “MSRB”) provided on July 20, 2023.

6. Preliminary Official Statement. The form of Preliminary Official Statement submitted to and considered at this meeting of the Board is hereby approved. The Board authorizes the use and distribution of (a) the Preliminary Official Statement, with such changes as the Authorized Officer executing the certificate described below may approve, such approval to be conclusively evidenced by such Authorized Officer’s execution of such certificate; and (b) an Official Statement in substantially the form of the Preliminary Official Statement with such changes as may be necessary or advisable in connection with the sale of the Bonds, as determined by the Authorized Officer executing the Official Statement, such determination to be conclusively evidenced by the execution and delivery of the Official Statement; and (c) any amendments or supplements to the Preliminary Official Statement or the Official Statement which an Authorized Officer may deem necessary or desirable. Upon approval of the Preliminary Official Statement by such Authorized Officer, such Authorized Officer shall execute a certificate substantially in the form of Exhibit B appended to this Resolution and by this reference made a part hereof, and upon such execution, the Preliminary Official Statement shall be deemed final as of its date, except for the omission of certain information as provided in and pursuant to Rule 15c2-12 promulgated under the Securities Exchange Act, as amended (the “Rule”).

7. Continuing Disclosure Agreement. The form of Continuing Disclosure Agreement appended to the form of Preliminary Official Statement submitted to and considered at this meeting of the Board is hereby approved. The Authorized Officers are, and each of them acting alone is, hereby authorized and directed to execute and delivery the Continuing Disclosure Agreement on behalf of the District, with such changes therein as the Authorized Officer may approve, in his or her discretion, as being in the best interests of the District, such approval to be conclusively evidenced by such person’s execution thereof. The District hereby covenants and agrees that it will comply with and carry out all of the requirements of the Continuing Disclosure Agreement as provided under the Rule; notwithstanding the foregoing, the failure of the District to comply in any respect with the Continuing Disclosure Agreement shall not be considered an event of default with respect to the Bonds.

8. Resolution to Constitute Contract. In consideration of the purchase and acceptance of any and all of the Bonds authorized to be issued hereunder by those who shall own the same from time to time, this Resolution shall be deemed to be and shall constitute a contract

among the District and the Owners from time to time of the Bonds, and the pledge made in this Resolution as described in Section 11 hereof shall be for the equal benefit, protection and security of the Owners of any and all of the Bonds, all of which, regardless of the time or times of their issuance or maturity, shall be of equal rank without preference, priority or distinction of any of the Bonds over any other thereof.

9. Redemption of Bonds. The Bonds shall be subject to optional redemption and mandatory redemption, if applicable, prior to their respective stated maturities on the dates and at the prices as set forth in the Bond Purchase Contract.

Whenever provision is made in this Resolution or in the Bond Purchase Contract for the redemption of the Bonds and less than all Outstanding Bonds are to be redeemed, the Paying Agent, upon written instruction from the District given at least 30 days but no more than 60 days prior to the date designated for such redemption, shall select Bonds for redemption in the order directed by the District or, in the event no direction is given, in inverse order of maturity. Within a maturity, the Paying Agent shall select Bonds for redemption by lot. Redemption by lot shall be in such manner as the Paying Agent shall determine; provided, however, that the portion of any Bond to be redeemed in part shall be in the principal amount of \$5,000 or any integral multiple thereof.

When redemption is authorized or required pursuant to this Resolution or the Bond Purchase Contract, the Paying Agent, upon written instruction from the District given no less than 30 days and no more than 60 days prior to the date designated for such redemption, shall give notice (each, a "Redemption Notice") of the redemption of the Bonds. Such Redemption Notice shall specify: (a) the Bonds or designated portions thereof (in the case of redemption of the Bonds in part but not in whole) which are to be redeemed, (b) the date of redemption, (c) the place or places where the redemption will be made, including the name and address of the Paying Agent, (d) the redemption price, (e) the CUSIP numbers (if any) assigned to the Bonds to be redeemed, (f) the Bond numbers of the Bonds to be redeemed in whole or in part and, in the case of any Bond to be redeemed in part only, the principal amount of such Bond to be redeemed, and (g) the original issue date, interest rate and stated maturity date of each Bond to be redeemed in whole or in part.

Such Redemption Notice shall further state that on the specified date there shall become due and payable upon each Bond or portion thereof being redeemed the redemption price, together with the interest accrued to the redemption date, and that from and after such date interest with respect thereto shall cease to accrue and be payable.

The Paying Agent shall take the following actions with respect to such Redemption Notice:

- (a) At least 20 but not more than 60 days prior to the redemption date, such Redemption Notice shall be given to the respective Owners of Bonds designated for redemption by first-class mail, postage prepaid, at their addresses appearing on the Bond Register.

- (b) In the event that the Bonds shall no longer be held in book-entry only form, at least two days before the date of the notice required by clause (a) of this Section, such Redemption Notice shall be given by (i) first-class mail, postage prepaid, (ii) telephonically confirmed facsimile transmission, or (iii) overnight delivery service, to the Depository.

Neither failure to receive any Redemption Notice nor any defect in any such Redemption Notice so given shall affect the sufficiency of the proceedings for the redemption of the affected Bonds. Each check issued or other transfer of funds made by the Paying Agent for the purpose of redeeming Bonds shall bear the CUSIP number identifying, by series and maturity, the Bonds being redeemed with the proceeds of such check or other transfer.

Upon the surrender of any Bond redeemed in part only, the Paying Agent shall execute and deliver to the Owner thereof a new Bond or Bonds of like tenor and maturity and of authorized denominations equal in aggregate principal amount to the unredeemed portion of the Bonds surrendered. Such partial redemption shall be valid upon payment of the amount required to be paid to such Owner, and the District shall be released and discharged thereupon from all liability to the extent of such payment.

Notice having been given as aforesaid, and the moneys for the redemption (including the interest to the applicable date of redemption) having been set aside in the Interest and Sinking Fund, the Bonds to be redeemed shall become due and payable on such date of redemption.

The District may rescind any optional redemption and any notice thereof for any reason on any date prior to the date fixed for such optional redemption by causing written notice of the rescission to be given to the Owners of those Bonds so called for redemption. Any optional redemption and any notice thereof shall be rescinded if for any reason on the date fixed for redemption moneys are not available in the Interest and Sinking Fund or otherwise held in trust in an escrow fund established for such purpose in an amount sufficient to pay in full on such date the principal of and interest due on the Bonds called for redemption. Notice of rescission shall be given in the same manner in which the related Redemption Notice was originally given.

If on such redemption date, money for the redemption of all the Bonds to be redeemed as provided in this Section, together with interest to such redemption date, shall be held by or on behalf of the Paying Agent so as to be available therefor on such redemption date, and if notice of redemption thereof shall have been given as aforesaid, then from and after such redemption date, interest with respect to the Bonds to be redeemed shall cease to accrue and become payable. All money held by or on behalf of the Paying Agent for the redemption of Bonds shall be held in trust for the account of the Owners of the Bonds so to be redeemed.

All Bonds paid at maturity or redeemed prior to maturity pursuant to the provisions of this Section shall be canceled upon surrender thereof and be delivered to or upon the order of the District. All or any portion of a Bond purchased by the District shall be canceled by the Paying Agent upon written notice by the District given to the Paying Agent.

When any Bonds, or portions thereof, which have been duly called for redemption prior to maturity under the provisions of this Resolution, or with respect to which instructions to call

for redemption prior to maturity at the earliest redemption date have been given to the Paying Agent, in form satisfactory to it, and sufficient moneys shall be held in the Interest and Sinking Fund irrevocably in trust for the payment of the redemption price of such Bonds or portions thereof, all as provided in this Resolution, then such Bonds shall no longer be deemed Outstanding and shall be surrendered, when and if received, to the Paying Agent for cancellation.

10. Execution of Bonds. The Bonds shall be executed in the manner required by the Authorizing Law. In case any one or more of the officers who shall have signed any of the Bonds shall cease to be such officer before the Bonds so signed shall have been issued by the District, such Bonds may, nevertheless, be issued, as herein provided, as if the persons who signed such Bonds had not ceased to hold such offices. Any of the Bonds may be signed on behalf of the District by such persons as at the time of the execution of such Bonds shall be duly authorized to hold or shall hold the proper offices in the District, although at the date borne by the Bonds or as of the date of adoption of this Resolution such persons may not have been so authorized or have held such offices.

No Bond shall be valid or obligatory for any purpose or shall be entitled to any security or benefit under this Resolution unless and until the certificate of authentication printed on the Bond is signed by the Paying Agent as authenticating agent. Authentication by the Paying Agent shall be conclusive evidence that Bond so authenticated has been duly issued, signed and delivered under this Resolution and is entitled to the security and benefit of this Resolution.

11. Establishment of Interest and Sinking Fund with the Paying Agent. There is hereby established in trust a fund designated as the “Washington Township Health Care District 2020 Election General Obligation Bonds, 2023 Series B Interest and Sinking Fund” maintained by the Paying Agent in connection with the Bonds (the “2023B Interest and Sinking Fund”) which shall be administered by the Paying Agent for the account of the District. There shall be levied on all the taxable property in the District, in addition to all other taxes, a continuing direct *ad valorem* property tax annually during the period the Bonds are Outstanding in an amount sufficient, together with moneys on deposit in the 2023B Interest and Sinking Fund and available for such purpose, to pay the principal of and interest on the Bonds when due, which monies when collected are irrevocably pledged for the payment of the principal of and interest on the Bonds when and as the same shall become due (the “Pledged Moneys”). When collected, the Treasurer shall transfer the Pledged Moneys to the Paying Agent for deposit into the 2023B Interest and Sinking Fund, which may be invested at the written direction of the District.

The property taxes and amounts collected shall be immediately subject to the pledge, and the pledge shall constitute a lien and security interest which shall immediately attach to the property taxes and amounts held in the Interest and Sinking Fund of the District when collected, to secure the payment of the Bonds and shall be effective, binding, and enforceable against the District, its successors, creditors and all others irrespective of whether those parties have notice of the pledge and without the need of any physical delivery, recordation, filing, or further act. The tax levy may include an allowance for a reasonably required reserve in accordance with the Tax and Nonarbitrage Certificate, established for the purpose of ensuring that the tax or assessment actually collected is sufficient to pay the annual debt service requirements on the Bonds due in such fiscal year. The District covenants to cause the County to take all actions

necessary to levy such *ad valorem* property tax, in accordance with this Section and the Authorizing Law.

Except as required to satisfy the requirements of Section 148(f) of the Code, interest earned on the investment of monies held in the 2023B Interest and Sinking Fund shall be used as described in the Paying Agent Agreement.

This pledge is an agreement between the District and the Owners to provide security for the Bonds in addition to any statutory lien that may exist, and the Bonds and each of the other bonds secured by this pledge are or were issued to finance one or more of the projects specified in the bond measure approved at the 2020 Election.

12. Payment of Principal and Interest.

(a) Debt service on the Bonds shall be paid by the Paying Agent in the manner provided by law for the payment of principal of and interest on general obligation bonds. The Paying Agent shall provide to the Treasurer appropriate wire transfer instructions and other information as may be necessary in order to effectuate the timely deposit of moneys into the Interest and Sinking Fund held by the Paying Agent in an amount sufficient to pay debt service on the Bonds of the related Series. On each Bond Payment Date or redemption date established hereunder for the Bonds, the Paying Agent shall pay to the Owners the principal amount or redemption price of and interest on the Bonds then coming due from amounts on deposit in the Interest and Sinking Fund.

(b) Payment of interest on any Bond Payment Date shall be made to the person appearing on the registration books of the Paying Agent as the Owner thereof as of the Record Date immediately preceding such Bond Payment Date, such interest to be paid by check mailed to such Owner on the Bond Payment Date at his address as it appears on such registration books or at such other address as he may have filed with the Paying Agent for that purpose on or before the Record Date. Any Owner of Bonds in an aggregate principal amount of \$1,000,000 or more may request in writing to the Paying Agent that such Owner be paid interest by wire transfer to the bank and account number on file with the Paying Agent as of the Record Date. Payments of defaulted interest shall be payable to the person in whose name such Bond is registered at the close of business on a special record date fixed therefor by the Paying Agent which shall not be more than fifteen days and not less than ten days prior to the date of the proposed payment of defaulted interest. The principal amount and redemption premiums, if any, payable on the Bonds shall be payable upon maturity or redemption upon surrender at the principal office of the Paying Agent. The principal amount of and redemption premiums, if any, and interest on the Bonds shall be payable in lawful money of the United States of America. The Paying Agent is hereby authorized to pay the Bonds when duly presented for payment at maturity, and to cancel all Bonds upon payment thereof.

13. Bond Registration and Transfer. (a) In order to qualify the Bonds for the Depository's book-entry system, the District has executed and delivered to the Depository a letter from the District representing such matters as shall be necessary to so qualify the Bonds (the "Representation Letter"). The execution and delivery of the Representation Letter shall not in any way limit the provisions of subsection (a) hereof or in any other way impose upon the

District any obligation whatsoever with respect to persons having beneficial interests in the Bonds other than the Owners, as shown in the Bond Register. In addition to the execution and delivery of the Representation Letter, the District, and its Authorized Officers, are hereby authorized to take any other actions, not inconsistent with this Resolution, to qualify the Bonds for the Depository's book-entry system.

(b) If the book entry system described herein is no longer in effect, the District shall cause the Paying Agent to maintain and keep at its principal corporate trust office the Bond Register. While such book entry system is in effect, such books need not be kept, as the Bonds will be represented by one bond for each maturity registered in the name of Cede & Co., as nominee for DTC.

(c) Subject to the provisions of this Section, the person in whose name a Bond is registered on the Bond Register shall be regarded as the absolute Owner of that Bond for all purposes of this Resolution. Payment of or on account of the principal amount of and interest on any Bond shall be made only to or upon the order of that person; neither the District nor the Paying Agent shall be affected by any notice to the contrary, but the registration may be changed as provided in this Section. All such payments shall be valid and effectual to satisfy and discharge the District's liability upon the Bonds, including interest, to the extent of the amount or amounts so paid.

(d) Any Bond may be exchanged for Bonds of the same tenor and principal amount and in any authorized denomination upon presentation and surrender at the principal corporate trust office of the Paying Agent, together with a request for exchange signed by the Owner or by a person legally empowered to do so in a form satisfactory to the Paying Agent. In the event that the District determines to no longer maintain the book-entry only status of the Bonds, DTC determines to discontinue providing such services and no successor securities depository is named, or DTC requests the District to deliver Bond certificates to particular DTC Participants, any Bond may, in accordance with its terms, be transferred, upon the books required to be kept pursuant to the provisions of this Section, by the person in whose name it is registered, in person or by his duly authorized attorney, upon surrender of such Bond for cancellation at the office of the Paying Agent, accompanied by delivery of a written instrument of transfer in a form approved by the Paying Agent, duly executed.

(e) Neither the District nor the Paying Agent will be required: (i) to exchange or transfer any Bonds during a period beginning with the opening of business on the 15th Business Day next preceding either any Bond Payment Date or any date of selection of Bonds to be redeemed and ending with the close of business on the Bond Payment Date or day on which the applicable notice of redemption is given, or (ii) to transfer any Bonds which have been selected or called for redemption in whole or in part.

14. Designation and Form of Bonds; Payment. A series of Bonds entitled to the benefit, protection and security of this Resolution is hereby authorized to be issued and sold in an aggregate principal amount not to exceed \$125,000,000. Such Bonds shall be general obligations of the District, payable as to principal, premium, if any, and interest from *ad valorem* property taxes to be levied upon all of the taxable property in the District. The Bonds shall be designated the "Washington Township Health Care District (Alameda County, California) 2020 Election

General Obligation Bonds, 2023 Series B” with such insertions as shall be appropriate to describe the authorizations for such Bonds, or any other changes as are agreed to by an Authorized Officer, as evidenced by his or her execution thereof. The Bonds shall be issued as current interest bonds, may be issued as serial bonds or term bonds, and may be subject to redemption as set forth in the Bond Purchase Contract, subject to the provisions of this Resolution. The Bonds shall be in substantially the form attached hereto as Exhibit A, allowing those officials executing the Bonds to make the insertions and deletions necessary to conform the Bonds to this Resolution and the Bond Purchase Contract. Principal of, premium, if any, and interest on any Bond are payable in lawful money of the United States of America.

15. Temporary Bonds. The Bonds may be initially issued in temporary form exchangeable for definitive Bonds when ready for delivery. The temporary Bonds may be printed, lithographed or typewritten, shall be of such authorized denominations as may be determined by the District, and may contain such reference to any of the provisions of this Resolution as may be appropriate. Every temporary Bond shall be executed by the District and authenticated by the Paying Agent upon the same conditions and in substantially the same manner as the definitive Bonds. If the District issues temporary Bonds, it will execute and furnish definitive Bonds without delay and thereupon the temporary Bonds shall be surrendered, for cancellation, in exchange for the definitive Bonds at the office of the Paying Agent or at such other location as the Paying Agent shall designate, and the Paying Agent shall authenticate and deliver in exchange for such temporary Bonds an equal aggregate principal amount of definitive Bonds of authorized denominations. Until so exchanged, the temporary Bonds shall be entitled to the same benefits under this Resolution as definitive Bonds authenticated and delivered hereunder.

16. Book-Entry System.

- (a) The Bonds shall be initially issued in the form of a separate single fully registered Bond for each of the maturities of the Bonds and of a particular Series and tenor. Upon initial issuance, the ownership of each such Bond certificate shall be registered in the Bond Register in the name of the Nominee as nominee of the Depository. Except as provided in subsection (c) hereof, all of the Outstanding Bonds shall be registered in the Bond Register in the name of the Nominee and the Bonds may be transferred, in whole but not in part, only to the Depository, to a successor Depository or to another nominee of the Depository or of a successor Depository. Each Bond certificate shall bear the legend substantially to the following effect: “UNLESS THIS BOND IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF DTC TO THE PAYING AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE, OR PAYMENT, AND ANY BOND ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO

ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.”

With respect to Bonds registered in the Bond Register in the name of the Nominee, neither the Paying Agent nor the District shall have any responsibility or obligation to any Participant or to any person on behalf of which such a Participant holds a beneficial interest in the Bonds. Without limiting the immediately preceding sentence, the District shall have no responsibility or obligation with respect to (i) the accuracy of the records of the Depository, the Nominee or any Participant with respect to any beneficial ownership interest in the Bonds, (ii) the delivery to any Participant, beneficial owner or any other person, other than the Depository, of any notice with respect to the Bonds, including any redemption notice, (iii) the selection by the Depository and the Participants of the beneficial interests in the Bonds to be redeemed in part, or (iv) the payment to any Participant, beneficial owner or any other person, other than the Depository, of any amount with respect to principal of, premium, if any, and interest on the Bonds. The District may treat and consider the person in whose name each Bond is registered in the Bond Register as the absolute Owner of such Bond for the purpose of payment of principal of, redemption premium, if any, and interest on such Bond, for the purpose of giving Redemption Notices and other notices with respect to such Bond, and for all other purposes whatsoever, including, without limitation, registering transfers with respect to the Bonds.

The Paying Agent shall pay all of the principal amount of, redemption premium, if any, and interest on the Bonds only to the respective Owners, as shown in the Bond Register, and all such payments shall be valid hereunder with respect to payment of principal of and redemption premium, if any, and interest on the Bonds to the extent of the sum or sums so paid. No person other than an Owner, as shown in the Bond Register, shall receive a Bond evidencing the obligation to make payments of principal of and redemption premium, if any, and interest, pursuant to this Resolution. Upon delivery by the Depository to the Paying Agent of written notice to the effect that the Depository has determined to substitute a new nominee in place of the Nominee, and subject to the provisions hereof with respect to Record Dates, the word “Nominee” in this Resolution shall refer to such new nominee of the Depository.

- (b) If at any time the Depository notifies the District that it is unwilling or unable to continue as Depository with respect to the Bonds or if at any time the Depository shall no longer be registered or in good standing under the Securities Exchange Act or other applicable statute or regulation and a successor Depository is not appointed by the District within 90 days after the District receives notice or became aware of such condition, as the case may be, subsection (a) hereof shall no longer be applicable and the District shall issue certificated securities representing the Bonds as

provided below. In addition, the District may determine at any time that the Bonds shall no longer be represented by book-entry securities and that the provisions of subsection (a) hereof shall no longer apply to the Bonds. In any such event the District shall execute and deliver certificates representing the Bonds as provided below. Bonds issued in exchange for book-entry securities pursuant to this subsection (b) shall be registered in such names and delivered in such denominations as the Depository shall instruct the District. The District shall deliver certificated securities representing the Bonds to the persons in whose names such Bonds are so registered.

If the District determines to replace the Depository with another qualified securities depository, the District shall prepare or cause to be prepared a new fully registered book-entry security for each of the maturities of Bonds, registered in the name of such successor or substitute securities depository or its nominee, or make such other arrangements as are acceptable to the District and such securities depository and not inconsistent with the terms of this Resolution.

- (c) Notwithstanding any other provision of this Resolution to the contrary, so long as any Bond is registered in the name of the Nominee, all payments of principal of and redemption premium, if any, and interest on such Bond and all notices with respect to such Bond shall be made and given, respectively, as provided in the Representation Letter or as otherwise instructed by the Depository.
- (d) The initial Depository under this Resolution shall be DTC. The initial Nominee shall be Cede & Co., as nominee of DTC.

17. Delivery of Bonds; Disposition of Proceeds of the Bonds.

- (a) Delivery of the Bonds. The Authorized Officers shall cause the Bonds to be issued and, following their sale, shall have the Bonds executed and delivered, together with a true transcript of proceedings with reference to the issuance of the Bonds, to the Underwriter of the Bonds pursuant to the Bond Purchase Contract, as appropriate, upon payment of the purchase price in funds which are immediately available to the District. In case any Bond shall become mutilated, the Paying Agent, at the expense of the Owner, shall deliver a new Bond of like tenor date, interest rate, Principal Amount, maturity and tenor as the Bond so mutilated in exchange and substitution for such mutilated Bond, upon surrender and cancellation thereof. All Bonds so surrendered shall be cancelled. If any Bond shall be destroyed, stolen or lost, evidence of such destruction, theft or loss may be submitted to the Paying Agent and if such evidence is satisfactory to the Paying Agent that such Bond has been destroyed, stolen or lost, and upon furnishing the Paying Agent with indemnity satisfactory to the Paying Agent and complying with such other reasonable regulations as the Paying

Agent may prescribe and paying such expenses as the Paying Agent may incur, the Paying Agent shall, at the expense of the Owner, execute and deliver a new Bond of like tenor, date, interest rate, maturity, Principal Amount and tenor in lieu of and in substitution for the Bond so destroyed, stolen or lost. Any new Bonds issued pursuant to this Section in substitution for Bonds alleged to be destroyed, stolen or lost shall constitute original additional contractual obligations on the part of the District, whether or not the Bonds so alleged to be destroyed, stolen or lost are at any time enforceable by anyone, and shall be equally secured by and entitled to equal and proportionate benefits with all other Bonds of that Series issued under this Resolution in any moneys or securities held by the Paying Agent for the benefit of the Owners of the Bonds.

- (b) Application of Bond Proceeds. The proceeds of the Bonds shall be deposited as follows:
- (i) There shall be deposited with the Paying Agent, into an account designated as the “Washington Township Health Care District General Obligation Bonds Series 2023B Costs of Issuance Fund,” which shall be established by the Paying Agent and maintained as a special trust account (the “Costs of Issuance Fund”). The Paying Agent, at the direction of the District, shall, from time to time, disburse amounts from the Costs of Issuance Fund to pay Costs of Issuance. Amounts in the Costs of Issuance Fund shall be held uninvested. The Paying Agent shall keep a written record of disbursements from the Costs of Issuance Fund. On the date which is one hundred and eighty days following the Closing Date, or upon the earlier written request of the Authorized Officer, all amounts (if any) remaining in the Costs of Issuance Fund shall be transferred by the Paying Agent to the Building Fund, and the Costs of Issuance Fund shall thereupon be closed; and
 - (ii) There shall be deposited with the Paying Agent, into an account designated as the “Washington Township Health Care District General Obligation Bonds Series 2023B Building Fund,” which shall be established by the Paying Agent and maintained as a special trust account (the “Building Fund”). The District shall, from time to time, disburse from the Building Fund to pay the costs of the capital improvement projects to be undertaken with the proceeds of the sale of the Bonds. Amounts in the Building Fund shall be invested at the written direction of the District so as to be available for the aforementioned disbursements. The Paying Agent shall keep a written record of disbursements from the Building Fund; and

(iii) Any accrued interest and any original issue premium received by the District and not required to pay cost of issuance of the Bonds shall be deposited into the Interest and Sinking Fund.

(c) Excess Earnings Fund. There is hereby established in trust a special fund designated “Washington Township Health Care District General Obligation Bonds Series 2023B Excess Earnings Fund” (the “Excess Earnings Fund”), which shall be held by the Paying Agent for the account of the District and which shall be kept separate and apart from all other funds and accounts held hereunder. The District shall transfer, or cause to be transferred, moneys to the Excess Earnings Fund in accordance with the provisions of the Tax and Nonarbitrage Certificate. Amounts on deposit in the Excess Earnings Fund shall only be applied to payments made to the United States Treasury or otherwise transferred to other accounts or funds established hereunder in accordance with the Tax and Nonarbitrage Certificate.

18. Authorized Projects. The Projects to be undertaken with proceeds of the sale of the Bonds shall correspond with the language of the Measure approved at the 2020 Election, so that proceeds of sale of the Bonds shall be expended solely on capital improvement projects approved by the voters at the 2020 Election and authorized under the Authorizing Law.

19. Source of Payment. As described in Section 11 hereof, the moneys in the Interest and Sinking Fund, to the extent necessary to pay the principal amount of and interest on the Bonds as the same become due and payable, shall be paid by the Paying Agent to DTC to pay the principal of and interest on the Bonds. DTC will thereupon make payments of principal amount of and interest on the Bonds to the Participants who will thereupon make payments of principal and interest to the beneficial owners of the Bonds. Any moneys remaining in the Interest and Sinking Fund after the Bonds and the interest thereon have been paid, or provision for such payment has been made, shall be transferred to the general fund of the District; provided, however, that the Paying Agent, before making such payment, shall cause notice to be mailed to the Owners of such Bonds, by first-class mail, postage prepaid, not less than 90 days prior to the date of such payment to the effect that such money has not been claimed and that after a date named therein any unclaimed balance of such money then remaining will be transferred to the general fund. Thereafter, the Owners of such Bonds shall look only to the general fund of the District for payment of such Bonds, all as subject to any conditions set forth in the Tax and Nonarbitrage Certificate.

20. Amendment of this Resolution. In the event that the District shall purchase municipal bond insurance to secure the payment of debt service on the Bonds when due, the District shall not amend or supplement this Resolution, under any circumstances, without the prior written consent of the provider of such municipal bond insurance (the “Insurer”).

(a) Supplemental Resolutions with Consent of Owners. This Resolution, and the rights and obligations of the District and the Owners of the Bonds, may be modified or amended at any time by a Supplemental Resolution adopted by the Board with the written consent of the Insurer and of the

Owners of at least sixty percent (60%) in aggregate principal amount of the Outstanding Bonds, exclusive of Bonds, if any, owned by the District; provided, however, that no such modification or amendment shall, without the express consent of the Owner of each Bond affected, reduce the principal amount of any Bond, reduce the interest rate payable thereon, advance the earliest redemption date thereof, extend its maturity or the times for paying interest thereon or change the monetary medium in which principal and interest is payable, nor shall any modification or amendment reduce the percentage of consents required for amendment or modification. Notwithstanding anything to the contrary, no such consent shall be required if the Owners are not directly or adversely affected by such modification or amendment.

- (b) Supplemental Resolutions Effective without Consent of Owners. For any one or more of the following purposes and at any time or from time to time, a Supplemental Resolution of the Board may be adopted, which, without the requirement of consent of the Owners, shall be fully effective in accordance with its terms;
- (i) To add to the covenants and agreements of the District in this Resolution, other covenants and agreements to be observed by the District which are not contrary to or inconsistent with this Resolution as theretofore in effect;
 - (ii) To add to the limitations and restrictions in this Resolution, other limitations and restrictions to be observed by the District which are not contrary to or inconsistent with this Resolution as theretofore in effect;
 - (iii) To confirm, as further assurance, any pledge under and the subjection to any lien or pledge created or to be created by this Resolution, of any moneys, securities or funds, or to establish any additional funds or accounts to be held under this Resolution;
 - (iv) To cure any ambiguity, supply any omission, correct any defect or inconsistent provision in this Resolution;
 - (v) To make such additions, deletions or modifications as may be necessary or desirable to assure exemption from federal income taxation of interest on the Bonds; and
 - (vi) To amend or supplement this Resolution in any other respect, including in order to meet the requirements of the Insurer, if any, provided such Supplemental Resolution does not, in the opinion of Bond Counsel, adversely affect the interests of the Owners.
- (c) Effect of Supplemental Resolution. Any act done pursuant to a modification or amendment so consented to shall be binding upon the

Owners of all the Bonds and shall not be deemed an infringement of any of the provisions of this Resolution, whatever the character of such act may be, and may be done and performed as fully and freely as if expressly permitted by the terms of this Resolution, and after consent regulating to such specified matters has been given, no Owner shall have any right or interest to object to such action or in any manner to question the propriety thereof or to enjoin or restrain the District or any officer or agent of either from taking any action pursuant thereto.

21. Defeasance. If all Outstanding Bonds shall be paid and discharged in any one or more of the following ways:

- (a) By paying or causing to be paid the principal of and interest on all Bonds Outstanding, when the same become due and payable;
- (b) By depositing with the Paying Agent, in trust, at or before maturity, cash which, together with amounts then on deposit in the Interest and Sinking Fund and with the interest to accrue thereon and on any such moneys, obligations or securities as may be permitted by the laws of the State to be deposited for the purpose of refunding the Bonds without the need for further investment, is fully sufficient to pay all Bonds Outstanding at maturity thereof or on any redemption date prior thereto, including any premium and all interest thereon, notwithstanding that any Bonds shall not have been surrendered for payment; or
- (c) By depositing with an institution that meets the requirements for serving as a Paying Agent as further described in the Paying Agent Agreement, in trust, lawful moneys, or obligations issued by the United States Treasury (including State and Local Government Series Obligations) or obligations which are unconditionally guaranteed by the United States of America and permitted under Section 149(b) of the Code and Regulations which, in the opinion of Bond Counsel, will not impair the exclusion of gross income for federal income tax purposes of interest on the Bonds, in such amount as will, in the opinion of an independent certified public accountant, together with the interest to accrue thereon but without the need for further investment, be fully sufficient to pay and discharge all Bonds Outstanding at maturity thereof or on any redemption date prior thereto, including any premium and all interest thereon, notwithstanding that any Bonds shall not have been surrendered for payment;

then all obligations of the District and the Paying Agent under this Resolution with respect to all Outstanding Bonds shall cease and terminate, except only the obligation of the Paying Agent to pay or cause to be paid from funds made available under the foregoing provisions to the Owners of the Bonds all sums due thereon.

22. Tax Covenants of the District.

- (a) The District covenants that it will take any and all actions necessary to assure compliance with Section 148(f) of the Code, relating to the rebate of excess investment earnings, if any, to the federal government, to the extent that such Section is applicable to the Bonds.
- (b) The District covenants that it shall not take any action, or fail to take any action, if such action or failure to take such action would adversely affect the exclusion from gross income of the interest payable on the Bonds under Section 103 of the Code.
- (c) The District covenants that it shall comply with the provisions of the Tax and Nonarbitrage Certificate.
- (d) The District covenants that it will deliver instructions to the Paying Agent as may be necessary in order to comply with the Tax and Nonarbitrage Certificate. The District further covenants that it will abide by the provisions of its existing Post-Issuance Tax Compliance Procedures, previously approved by this Board and attached as Exhibit D.

23. Request for Necessary County Actions. The Board of Supervisors, the Auditor-Controller, the Treasurer and other officials of the County are hereby requested to take and authorize such actions as may be necessary for the levy and collection of ad valorem property tax on all taxable property located in the District sufficient to provide for payment of all principal of and interest on the Bonds as the same shall become due and payable, and the Secretary or designee thereof is hereby authorized and directed to deliver certified copies of this Resolution to the Clerk of the Board of Supervisors, the Auditor-Controller and the Treasurer of the County. The District hereby agrees to reimburse the County for any costs associated with the levy and collection of such tax, upon documentation of such costs as the District shall reasonably request.

24. Necessary Acts and Conditions. This Board determines that all acts and conditions necessary to be performed by the Board or have been precedent to and in the issuing of the Bonds in order to make them legal, valid and binding general obligations of the District have been performed and have been met, or will at the time of delivery of the Bonds have been performed and have been met, in regular and due form as required by law; that the District has certified to the Board that no statutory or constitutional limitation of indebtedness or taxation will have been exceeded in the issuance of the Bonds; and that due provision has been made for levying and collecting *ad valorem* property taxes on all of the taxable property within the District in an amount sufficient to pay principal and interest when due, and for levying and collecting such taxes the full faith and credit of the District are hereby pledged.

25. Establishment of Additional Funds and Accounts. If at any time it is deemed necessary or desirable by the District, the Treasurer, the Auditor-Controller, or the Paying Agent, the District may establish additional funds under this Resolution and/or accounts within any of the funds or accounts established hereunder.

26. Approval of Actions; Miscellaneous. Officers of the Board and District officials and staff are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents which they may deem necessary or advisable in order to proceed with the issuance of the Bonds and otherwise carry out, give effect to and comply with the terms and intent of this Resolution. Such actions heretofore taken by such officers, officials and staff are hereby ratified, confirmed and approved.

If there is any inconsistency or conflict between any provision of this Resolution and any provision of the Bond Purchase Contract, the Bond Purchase Contract prevails to the extent of the inconsistency or conflict. If there is any inconsistency or conflict between any provision of this Resolution and any provision of the Tax and Nonarbitrage Certificate, the Tax and Nonarbitrage Certificate prevails to the extent of the inconsistency or conflict.

27. Effective Date. This Resolution shall take effect immediately upon its passage.

[Remainder of Page Intentionally Left Blank]

SECRETARY'S CERTIFICATE

I, Jeannie Yee, Secretary of the Board of Directors of Washington Township Health Care District, County of Alameda, California, hereby certify as follows:

The attached is a full, true and correct copy of a resolution adopted at a regular meeting of the Board of Directors of the District at which a quorum of its members participated and were acting throughout, conducted at 2000 Mowry Ave, Fremont, California, on August 9, 2023, at a location freely accessible to the public, by the following roll-call vote:

AYES: Directors Stewart, Nicholson, Yee, Eapen

NOES:

ABSTAIN:

ABSENT: Director Wallace

An agenda of the meeting was posted at least 72 hours before the meeting conducted at Fremont, California, and a brief description of the resolution appeared on the agenda.

The resolution has not been amended, modified or rescinded since the date of its adoption and the same is now in full force and effect.

Dated: August 9, 2023


DocuSigned by:

02007A853B4B4BA...
Jeannie Yee
Secretary of the Washington Township
Health Care District Board of Directors

EXHIBIT A

FORM OF BOND

UNLESS THIS BOND IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TO THE BOND REGISTRAR FOR REGISTRATION OF TRANSFER, EXCHANGE, OR PAYMENT, AND ANY BOND ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

REGISTERED NO. _____ \$ _____

WASHINGTON TOWNSHIP HEALTH CARE DISTRICT
(Alameda County, California)
2020 ELECTION GENERAL OBLIGATION BOND
2023 SERIES B

<u>INTEREST RATE</u>	<u>MATURITY DATE</u>	<u>DATED DATE</u>	<u>CUSIP</u>
____ % per annum	August 1, 20__	Date of Delivery	

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT:

The Washington Township Health Care District (the “District”) in Alameda County, California (the “County”), for value received, promises to pay to the Registered Owner named above, or registered assigns, the principal amount on the Maturity Date, each as stated above, and interest thereon until the principal amount is paid or provided for at the Interest Rate stated above, such interest to be paid on February 1 and August 1 of each year (the “Bond Payment Dates”), commencing February 1, 2024. This Bond will bear interest from the Bond Payment Date next preceding the date of authentication hereof, unless: (i) it is authenticated as of a day following the 15th day of the month immediately preceding any Bond Payment Date and on or before such Bond Payment Date, in which event it shall bear interest from such Bond Payment Date, or (ii) it is authenticated on or before January 15, 2024, in which event it shall bear interest from the date of delivery of the Bonds. Principal and interest are payable in lawful money of the United States of America, without deduction for the paying agent services, to the person in whose name this Bond is registered (the “Registered Owner”) on the Register maintained by the Paying Agent, U.S. Bank Trust Company, National Association, San Francisco, California (the “Paying Agent”). Principal and any redemption premium is payable upon presentation and surrender of this Bond at the principal corporate trust office of the Paying Agent. Interest is

payable by check or draft mailed by the Paying Agent on each Bond Payment Date to the registered owner of this Bond by first-class mail at the address appearing on the Register at the close of business on the 15th day of the calendar month next preceding that Bond Payment Date (each, a “Record Date”).

This Bond is one of a series of _____ dollars (\$ _____) of Bonds issued for the purpose of acquiring and improving real property of the District, all as authorized in Section 53506 *et seq.* of the Government Code of the State of California, under authority of and pursuant to the laws of the State, and the requisite two-thirds (2/3) vote of the electors of the District cast at an election held on November 3, 2020, upon the question of issuing bonds in the amount of Four Hundred Twenty-Five Million Dollars (\$425,000,000) and a resolution of the Board of Directors of the District adopted on August 9, 2023 (the “Bond Resolution”). This Bond and the issue of which this Bond is a part are payable as to both principal and interest from the proceeds of the levy of *ad valorem* taxes on all property subject to such taxes in the District, which taxes are unlimited as to rate or amount. The Bonds are issued in the form of current interest bonds. Capitalized terms used but not defined herein have the meanings assigned to them in the Bond Resolution.

Neither the payment of the principal of or redemption premium, if any, or interest on this Bond shall constitute a debt, liability of obligation of the County.

The Bonds of this issue are issuable only as fully registered Bonds in the denominations of five thousand dollars (\$5,000) or any integral multiple thereof. This Bond is exchangeable and transferable for Bonds of other authorized denominations at the principal corporate trust office of the Paying Agent, by the Registered Owner or by a person legally empowered to do so, upon presentation and surrender hereof to the Paying Agent, together with a request for exchange or an assignment signed by the Registered Owner or by a person legally empowered to do so, in a form satisfactory to the Paying Agent, all subject to the terms, limitations and conditions provided in the Bond Resolution. Any tax or governmental charges shall be paid by the transferor. The District and the Paying Agent may deem and treat the Registered Owner as the absolute owner of this Bond for the purpose of receiving payment of or on account of principal or interest and for all other purposes, and neither the District nor the Paying Agent shall be affected by any notice to the contrary.

The Bonds are subject to redemption prior to their stated maturity, as a whole or in part on any date on or after August 1, 20[___], from any source of available funds, at a redemption price equal to the principal amount of the Bonds to be redeemed, without premium, plus accrued interest thereon to the date fixed for redemption.

The Bonds maturing on August 1, 20[___] are subject to mandatory redemption in part by lot, on August 1 in each year commencing August 1, 20[___] and on each August 1 thereafter, up to and including August 1, 20[___], from mandatory sinking payments made by the District, at a redemption price equal to the principal amount thereof to be redeemed, without premium, plus accrued interest thereon to the date of redemption, in the following principal amounts:

Sinking Fund Payment Date
(August 1)

Principal
Amount

*Final Maturity.

If less than all of the Bonds of any one maturity shall be called for redemption, the particular Bonds or portions of Bonds of such maturity to be redeemed shall be selected by lot by the District in such manner as the District in its discretion may determine; provided, however, that the portion of any Bond to be redeemed shall be in the principal amount of five thousand dollars (\$5,000) or some multiple thereof and that, in selecting Bonds for redemption, the Paying Agent shall treat each Bond as representing that number of Bonds which is obtained by dividing the principal amount of such Bond by five thousand dollars (\$5,000). If less than all of the Bonds shall be called for redemption, the particular Bonds or portions thereof to be redeemed shall be called by lot in any manner which the District in its discretion shall determine.

The Paying Agent shall give notice of the redemption of the Bonds at the expense of the District. Such notice shall specify: (i) that the Bonds or a designated portion thereof are to be redeemed, (ii) the numbers and CUSIP numbers, if any, of the Bonds to be redeemed, (iii) the date of notice and the date of redemption, (iv) the place or places where the redemption will be made, and (v) descriptive information regarding the issue of Bonds and the specific Bonds redeemed, including the dated date, interest rate and stated maturity date of each. Such notice shall further state that on the specified date there shall become due and payable upon each Bond to be redeemed, the portion of the principal amount of such Bond to be redeemed, together with interest accrued to such date, the redemption premium, if any, and that from and after such date interest with respect thereto shall cease to accrue.

Notice of redemption shall be by registered or otherwise secured mail or delivery service, postage prepaid, to the registered owner of the Bonds, or if the underwriter is a syndicate, to the managing member of such syndicate, to a municipal registered securities depository and to a national information service that disseminates securities redemption notices and, by first class mail, postage prepaid, to the District and the respective Owners of any Bonds designated for redemption at their addresses appearing on the Bond registration books, in every case at least twenty (20) days, but not more than sixty (60) days, prior to the redemption date; provided that neither failure to receive such notice nor any defect in any notice so mailed shall affect the sufficiency of the proceedings for the redemption of such Bonds nor entitle the owner thereof to interest beyond the date given for redemption.

Neither the District nor the Paying Agent will be required: (i) to issue or transfer any Bond during a period beginning with the opening of business on the 15th business day next preceding either any Bond Payment Date or any date of selection of any Bond to be redeemed and ending with the close of business on the Bond Payment Date or a day on which the applicable notice of redemption is given, or (ii) to transfer any Bond which has been selected or called for redemption in whole or in part.

Reference is made to the Bond Resolution for a more complete description of the provisions with respect to the nature and extent of the security for the Bonds of this series, the rights, duties and obligations of the District, the Paying Agent and the Registered Owners, and other terms and conditions upon which the Bonds are issued and secured. The owner of this Bond assents, by acceptance hereof, to all of the provisions of the Bond Resolution and of the laws of the State of California governing the issue of the Bonds.

It is certified and recited that all acts and conditions required by the District under the Constitution and laws of the State of California to exist, to occur and to be performed or to have been met precedent to and in the issuing of the Bonds in order to make them legal, valid and binding general obligations of the District, have been performed and have been met in regular and due form as required by law; that payment in full for the Bonds has been received; that no statutory or constitutional limitation on indebtedness or taxation has been exceeded in issuing the Bonds; and that due provision has been made for levying and collecting *ad valorem* property taxes on all of the taxable property within the District in an amount sufficient to pay principal and interest when due, and for levying and collecting such taxes the full faith and credit of the District are hereby pledged.

This Bond shall not be valid or obligatory for any purpose and shall not be entitled to any security or benefit under the Bond Resolution until the Certificate of Authentication below has been manually signed by the Paying Agent.

IN WITNESS WHEREOF, the Washington Township Health Care District, Alameda County, California, has caused this Bond to be executed on behalf of the District and in their official capacities by the manual or facsimile signature of the President of the Board of Directors of the District, and to be countersigned by the manual or facsimile signature of the Secretary of the Board of Directors of the District, all as of the date stated above.

WASHINGTON TOWNSHIP HEALTH
CARE DISTRICT

By: _____
Bernard Stewart
President, Board of Directors

COUNTERSIGNED:

Jeannie Yee
Secretary, Board of Directors

CERTIFICATE OF AUTHENTICATION

This is one of the Bonds described in the within-mentioned Bond Resolution, which has been authenticated on the date set forth below.

Authenticated on: _____, 2023

U.S. BANK TRUST COMPANY,
NATIONAL ASSOCIATION, as Paying
Agent

By: _____
Authorized Officer

FORM OF ASSIGNMENT

For value received, the undersigned do(es) hereby sell, assign and transfer unto

(Name, Address and Tax Identification or Social Security Number of Assignee)

the within Bond and do(es) hereby irrevocably constitute(s) and appoint(s) _____ attorney, to transfer the same on the registration books of the Paying Agent with full power of substitution in the premises.

Dated: _____

Signature Guaranteed:

Notice: Signature(s) must be guaranteed by a qualified guarantor institution.

Notice: The signature on this assignment must correspond with the name(s) as written on the face of the within Bond in every particular without alteration or enlargement or any change whatsoever.

EXHIBIT B

FORM OF 15c2-12 CERTIFICATE

With respect to the proposed sale of its 2020 Election General Obligation Bonds, 2023 Series B in the maximum aggregate principal amount of not to exceed \$125,000,000 (the “Bonds”), Washington Township Health Care District (the “District”) has delivered to BofA Securities, Inc., as underwriter of the Bonds, a Preliminary Official Statement, dated as of the date hereof (the “Preliminary Official Statement”). The District, for purposes of compliance with Rule 15c2-12 promulgated under the Securities Exchange Act of 1934, as amended (the “Rule”), deems the Preliminary Official Statement to be final as of its date, except for the omission of no more than the information permitted under the Rule.

WASHINGTON TOWNSHIP HEALTH
CARE DISTRICT

By: _____
Authorized Officer

Dated: _____, 2023

EXHIBIT C

POST-ISSUANCE TAX COMPLIANCE PROCEDURES

Post-Issuance Tax Compliance Procedures of Washington Township Health Care District

The purpose of these Post-Issuance Tax Compliance Procedures (“Procedures”) is to establish procedures to assist Washington Township Health Care District (the “District”) in complying with its federal tax obligations to maintain the exclusion from federal income taxes for the tax-exempt bonds that have been issued by or on behalf of the District (collectively, the “Bonds”).

A tax certificate or agreement (each, a “Tax Certificate”) has been or will be executed by the District in conjunction with each issue of Bonds (the specific Bonds identified in each Tax Certificate comprises an “Issue of Bonds”). Each Tax Certificate is designed as a more comprehensive analysis of the limits imposed on the District on the way it can invest Bond proceeds and use Bond-financed facilities for each Issue of Bonds. Each Issue of Bonds, as they may be issued from time to time, is listed in Exhibit B.

These Procedures are not intended to be an exclusive or comprehensive guide to the District’s post-issuance compliance requirements imposed by the Internal Revenue Code (the “Code”) and the Treasury Regulations (the “Regulations”). The District is advised to confer with nationally recognized bond counsel (“Bond Counsel”) for assistance dealing with situations not addressed herein.

I. Issuer’s Obligations

The Issuer shall conduct an annual review of these Procedures and of the Bonds in light of these Procedures to ensure compliance until the final maturity date of the Bonds. With this in mind, the Issuer undertakes the following:

- The Chief Financial Officer of the District (the “Responsible Officer”), is responsible for ensuring compliance with these Procedures and ensuring that these Procedures are responsive to future legislative changes at both the federal and state level;
- On or before August 1 of each year (the “Annual Compliance Check”), the Responsible Officer shall affirmatively declare that the District is in compliance with all of the requirements contained herein (see “Exhibit A” for sample declaration);
- In the event that the Responsible Officer is unsure whether the District is in compliance, the Responsible Officer shall consult with Bond Counsel for advice and, if necessary, assistance in taking steps necessary to remedy any failure to comply with these Procedures.

II. Policy

The post-issuance obligations imposed by the Code and the Regulations are to ensure compliance with the following two principles:

- An issuer may not take advantage of the reduced borrowing costs associated with tax-exempt bonds by re-investing tax-exempt bond proceeds in investments with a higher yield (“arbitrage”); and
- While any Issue of Bonds are outstanding, no more than 10 percent of the proceeds of such Issue of Bonds (or the financed facilities) may be used in any trade or business activity carried on by any person or entity, including the United States Government and all of its agencies and instrumentalities, other than the Issuer or a state or political subdivision of a state. In addition, no more than 5% of the proceeds of an Issue of Bonds (or the financed facilities) may be used in any trade or business activity carried on any person or entity, including the United States Government and all of its agencies and instrumentalities, other than the Issuer or a state or political subdivision of a state where such use is (i) disproportionate to a related governmental use or is (ii) unrelated to the governmental use of the proceeds of an Issue of Bonds.

There are other rules that must be complied with and which are described in each Tax Certificate; however, these two principles generate the most significant compliance obligations with respect to the District’s Bonds.

III. Use of Bond Proceeds (arbitrage and rebate)

Arbitrage is only a consideration when there are Bond proceeds that have not been spent on the Bond-financed project or projects (the “Projects”). However, there may be amounts treated as unspent Bond proceeds in many different situations. For example, receipt of a grant with respect to the Bond-financed projects might be treated as replacing the Bond proceeds and, if so, will be subject to the arbitrage rules. If the District is unsure if it has unspent Bond proceeds either after a particular transaction or outside of the exceptions to the arbitrage rebate requirement, the District should consult with Bond Counsel and, if necessary, a rebate service provider for the identification and proper treatment of such proceeds (a “Rebate Analyst”).

If the District identifies any Bond proceeds subject to rebate, the District may engage a Rebate Analyst to assist in calculating the amount of arbitrage rebate due the federal government. If applicable, the District shall monitor or cause their auditors to monitor the investment of Bond proceeds and deliver statements concerning investment earnings and other information, as requested, to the Rebate Analyst. Every fifth year after the issue date of each Issue of Bonds, the District shall ensure that the payment of rebate, if required, is made within 60 days after the date thereof. In addition, the District shall ensure that the payment of rebate, if required, is made within 60 days after the date on which the last Bond of the Issue of Bonds is redeemed. The District shall confer with the Rebate Analyst as necessary to effect the foregoing.

While each Issue of Bonds is outstanding, the District shall monitor the expenditures of Bond proceeds and work with the Rebate Analyst or with Bond Counsel to determine if any exceptions from arbitrage rebate are applicable.

Until three years following the final maturity date of an Issue of Bonds (or until three years following the issuance of any tax-exempt Bonds issued to refund an Issue of Bonds), the District shall maintain copies of all arbitrage reports, trustee statements, disposition records, and other documentation relating to arbitrage rebate in accordance with Section IV of these Procedures.

IV. Recordkeeping Requirements

The District shall continue to keep records and retain documents for either (1) three years past the final maturity date of each Issue of Bonds, or (2) if there is a refunding of an Issue of Bonds, three years following the final maturity date of the refunding Issue of Bonds (the “Retention Period”).

The District shall retain all records related to capital expenditures financed or refinanced with Bond proceeds and all records related to the use of Bond-financed facilities and the use of Bond proceeds. The following are some examples of records that should be kept for each Issue of Bonds, along with any other relevant documents, over the course of the Retention Period:

- a. Basic records and documents relating to each Issue of Bonds;
- b. Documentation evidencing the expenditure of Bond proceeds (this may take the form of the District’s annual performance audit and financial audits (collectively, the “Bond Audits”)) to the extent the Bond Audits separately identify the expenditures for an Issue of Bonds;
- c. Documentation evidencing any use of a Project by public and private parties other than the District and the general public (*i.e.*, copies of management contracts, research agreements, leases, etc.);
- d. Documentation evidencing compliance with the timing and allocation of expenditures of Bond proceeds;
- e. Documentation pertaining to any directed investment of proceeds of an Issue of Bonds (including the purchase and sale of securities, SLGs subscriptions, yield calculations for each class of investments, actual investment income received from the investment of proceeds, guaranteed investment contracts, and rebate calculations); and
- f. Records of all amounts paid to the United States under the arbitrage rules.

V. Use of Bond-Financed Facilities

a. Bond-Financed Facilities

Under the Code, to preserve the tax exemption of an Issue of Bonds, private business use of Bond-financed facilities is limited. District facilities that are financed with moneys other than Bond proceeds are NOT subject to such use limitations. The Projects financed with proceeds from each Issue of Bonds are described in Exhibit C, as updated from time to time.

b. What is “use”?

In order for an Issue of Bonds to be treated as tax-exempt, whatever portion of the proceeds of each Issue of Bonds “used” (for federal income tax purposes) in a private trade or business by an entity or person other than the District or other state or political subdivision must be within certain, de minimis thresholds. In particular, such use may not exceed ten percent (10%) or, in certain circumstances, five percent (5%) of the proceeds of each Issue of Bonds. For this purpose, both direct and indirect use by an entity or person other than the District or another political agency must be taken into account. For example, a Bond-financed facility that is leased to a government agency but subleased to an entity or person that is not a government agency is taken into account.

For purposes of these Procedures, “use” may include use pursuant to any of the following types of arrangements:

- i. A management or service contract not meeting the guidelines set forth in Rev. Proc. 97-13 (*i.e.*, coffee shop, dining facility, etc.);
- ii. A lease;
- iii. An installment sale or other form of transfer of ownership;
- iv. Research agreements not meeting the guidelines set forth in Rev. Proc. 2007-47; and
- v. Any other arrangements conveying special legal entitlements with regard to the Project;

The uses of Bond-financed facilities expected as of the issue date of each Issue of Bonds to be private uses subject to the ten or five percent limitation are listed in Exhibit D. Exhibit D should be updated from time to time to track any private uses arising after the respective issue dates, and the District shall consult with Bond Counsel to determine the treatment and impact of these additional uses and to ascertain whether the ten percent or five percent limit applies.

c. What is **not** “use”?

For purposes of these Procedures, “use” does **not** include the following:

- Attendance and participation by members of the general public at events hosted by the District at Bond-financed facilities; and
- Activities conducted in any portion of a Bond-financed facility that was constructed, renovated, or improved using **other than** Bond proceeds.

In addition, the Code has some exceptions where use that would otherwise constitute private use is not counted as such. The two most important exceptions are as follows, which exceptions apply to a use that would be a private business use, but do not apply to a use that would be an unrelated trade or business (even if the Issuer receives no payment for such use):

- Any single contract for use with a term of less than 50 days (measured both annually and in the aggregate if its term encompasses multiple years) including all renewals, with a fee negotiated on an arms-length basis; and
- “Incidental Uses” (e.g., vending machine, pay phone, kiosks) if the same do not aggregate more than 2.5% of the bond-financed facilities and are not functionally related to other use of the facility by the same private user.

d. Annual Monitoring

Under the supervision of the Responsible Officer, until the final maturity date of an Issue of Bonds (or any Issue of refunding Bonds), personnel from the Issuer shall:

- Annually review the Tax Certificate for each respective Issue of Bonds until the final redemption of principal or maturity value of such Issue of Bonds;
- Monitor the use of Bond-financed facilities financed or refinanced with respect to each Issue of Bonds, taking care to ensure the use of such facilities is consistent with the Bond documents;
- Maintain records sufficient to ensure that the Issuer can accurately identify all of the facilities (including buildings, equipment, tangible property, etc.) that were financed or refinanced with proceeds from each Issue of Bonds (including discrete portions of each facility) and how such facilities were used;
- Consult with Bond Counsel and other professional advisors in review of any material contracts (including management contracts, leases, research contracts) that may result in additional private use of Bond-financed (or refinanced) facilities;
- For the duration of the Retention Period, maintain records in accordance with Section IV of these Procedures.

VI. Procedures for Correcting Non-Compliance

- a. Procedures exist for self-reporting and correcting any post-issuance compliance violations. If any non-compliance of applicable federal tax requirements is identified, the Responsible Officer shall immediately evaluate, with the assistance of Bond Counsel, the availability of the remedies provided under the Code, including Treasury Regulation 1.141-12 and other IRS guidance as to remediation of violations of Sections 103 and 141-150 of the Code, as well as the IRS Voluntary Closing Agreement Program. The District will comply with such procedures to the extent necessary to ensure that the interest on each Issue of Bonds remains excludable from gross income for federal income tax purposes.

List of Exhibits and Appendices

Exhibit A	Review Certificate
Exhibit B	Bond Issues
Exhibit C	Use of Bond Proceeds
Exhibit D	Private Business Use and Unrelated Trade or Business Use

Exhibit A

Annual Certification

On [DATE], I, [NAME], was appointed the Responsible Officer and assigned the responsibility of ensuring that Washington Township Health Care District has adhered to and complied with all of its post-issuance compliance obligations as enunciated in the Post-Issuance Tax Compliance Procedures (the “Procedures”), adopted [].

By signing this certificate, I affirm that I have reviewed the necessary documentation and performed the necessary review to confirm that between [DATE] and [DATE], the District was in compliance with all of its post-issuance compliance obligations as set forth in the Procedures and as described in each Tax Certificate.

Name
Date

Exhibit B

Bond Issues

\$49,275,000 Revenue Bonds Series 1999, issued May 5, 1999.

\$60,000,000 General Obligation Bonds, 2004 Election, 2006 Series A, issued December 14, 2006.

\$79,645,000 Refunding and Revenue Bonds, 2007 Series A, issued June 28, 2007.

\$25,000,000 General Obligation Bonds, 2004 Election, 2009 Series A, issued November 17, 2009.

\$55,000,000 Revenue Bonds, 2009 Series A, issued December 2, 2009.

\$60,725,000 Revenue Bonds, 2010 Series A, issued November 12, 2010.

\$105,000,000 2004 Election General Obligation Bonds, 2013 Series B, issued November 21, 2013.

\$40,500,000 2012 Election General Obligation Bonds, 2013 Series A, issued November 21, 2013.

\$145,500,000 2012 Election General Obligation Bonds, 2015 Series B, issued November 18, 2015.

\$30,290,000 Revenue Refunding Bonds, 2015 Series A, issued November 18, 2015.

\$30,725,000 2016 General Obligation Refunding Bonds, issued June 29, 2016.

\$37,655,000 Revenue Bonds, 2017 Series A, issued April 18, 2017.

\$66,690,000 Revenue Refunding Bonds, 2017 Series B, issued June 28, 2017.

\$49,445,000 Refunding and Revenue Bonds, 2019 Series A, issued July 2, 2019.

\$11,110,000 2019 General Obligation Refunding Bonds, issued July 2, 2019.

\$40,865,000 Revenue Refunding Bonds, 2020 Series A, issued December 16, 2020.

\$20,000,000 2020 Election General Obligation Bonds, 2022 Series A, issued April 13, 2022.

Exhibit C

Projects Financed with each Issue of Bonds

Refer to permanent files with District Facilities and to Bond Performance Audits issued annually.

Exhibit D

Private Business Use