

Monday, December 19, 2022  
12:00 noon

**NORTH SAN DIEGO COUNTY HEALTH  
FACILITIES FINANCING AUTHORITY**

**Posted  
Thursday,  
December 15,  
2022**

**BOARD OF DIRECTORS  
NOTICE AND MEETING AGENDA**

**PLEASE NOTE:**

Participation will be virtual pursuant to  
Assembly Bill 361, signed into law September 16, 2021  
Please join the meeting from your computer, tablet or smartphone:

<https://meet.goto.com/957265829>

OR Dial in using your phone: 8773092073; Access Code: 957265829#<sup>1</sup>

	<u>Time</u>	<u>Page</u>	<u>Target</u>
I. CALL TO ORDER and ROLL CALL .....	2	.....	12:02
II. PUBLIC COMMENTS .....	15	.....	12:17
<i>(5 minutes allowed per speaker, with a cumulative total of 15 minutes per group – for further details &amp; policy, see Request for Public Comments notice attached as Page 2)</i>			
III. OATH OF OFFICE			
A. Hubert U. King .....	2	.....2-3	12:19
IV. APPROVAL OF MINUTES			
A. * Tuesday, November 16, 2021 (ADD A – <b>Pp8-12</b> ) .....	2	.....4	12:21
V. INFORMATION ITEM(S)			
VI. DISCUSSION AGENDA			
A. * Election of Chair of The Authority .....	2		12:33
B. * Election of Vice-Chair of The Authority .....	2		12:35
C. * Election of Treasurer/Controller of The Authority .....	2		12:37
D. * Appointment of Secretary of The Authority .....	2		12:39
E. * Establishment of the Date, Time and Place for the Regular Meeting of the Board of Directors of The Authority for Calendar Year 2022 .....	4	.....5	12:43
F. * Adoption of Resolution No. 12.19.22(01)-01, Confirming Election of the Chair, Vice-Chair and Treasurer/Controller of Said Authority; Appointing the Secretary of Said Authority; and Setting the Date, Time and Place for the Regular Meeting of the Board of Directors of Said Authority for Calendar Year 2023 (ADD B – <b>Pp13-16</b> ) .....	2		12:45
G. Dissolution of the North San Diego County Health Facilities Financing Authority (ADD C – <b>Pp17-30</b> ) .....	15	.....6-7	1:00
VI. FINAL ADJOURNMENT .....			1:00

**NEXT MEETING:**

**TBD**

<b>North San Diego County Health Facilities Financing Authority Board</b>	
Diane L. Hansen, Chair	Ray Rivas, Vice-Chair
Hubert U. King, Member	Steve Dietlin, Member
Christian Wallis, Member	Tom Scaglione, Member
Tanya Howell, Secretary	

**NOTE: If you have a disability, please notify us 72 hours prior to the event so that we may provide reasonable accommodations**

<sup>1</sup> New to GoToMeeting? Get the app now and be ready when your first meeting starts: <https://global.gotomeeting.com/install/679772541>

Asterisks "\*" indicate anticipated action  
Action is not limited to those designated items

**Oath of Office  
New Board Members**

**TO:** Board of Directors  
North San Diego County Health Facilities Financing Authority

**MEETING DATE:** Monday, December 19, 2022

**FROM:** Tanya Howell, Secretary

**BACKGROUND:** Pursuant to Section 4.B. of the JPA Agreement:

The Authority shall be administered by the Board-of Directors, which shall consist of the chief executive officer of each Member and the chief financial officer of each Member. The term of office of the chief executive officer of a Member on the Board of Directors shall be coterminous with such member's term as chief executive officer of such Member, and the successor to such member shall become a member of the Board of Directors, upon assuming the position of chief executive officer. The term of office of the chief financial officer of a Member on the Board of Directors shall be coterminous with such member's term as chief financial officer of such Member, and the successor to such member shall become a member of the Board of Directors, upon assuming the position of chief financial officer.

As Hubert U. King is the new Chief Financial Officer for Member Palomar Health, he will be sworn in as a new member of the Board of Directors at this meeting, utilizing the attached Oath of Office document.

**Motion:**

**Individual Action:**

**Information:** X

**NORTH SAN DIEGO COUNTY HEALTH FACILITIES FINANCING AUTHORITY**

**OATH OF OFFICE**

*(Section 3, Article XX, California Constitution)*

I, **Hubert U. King** , do solemnly swear or affirm that I will support and defend the Constitution of the United States and of the State of California against all enemies, foreign and domestic; that I will bear true faith and allegiance to the Constitution of the United States and the Constitution of the State of California; that I take this obligation freely, without any mental reservation or purpose of evasion; and that I will well and faithfully discharge the duties upon which I am about to enter; to wit:

**Member of the Board of Directors**

**of**

**North San Diego County Health Facilities Financing Authority**

And I do further swear or affirm that I do not advocate, nor am I a member of any party or organization, political or otherwise, that now advocates the overthrow of the Government of the United States or of the State of California by force or violence or other unlawful means; that within the five years immediately preceding the taking of this oath or affirmation I have not been a member of any party or organization, political or otherwise, that advocated the overthrow of the Government of the United States or of the State of California by force or violence or other unlawful means and that during such time as I hold the office of Member of the Board of Directors of North San Diego County Health Facilities Financing Authority, I will not advocate nor become a member of any party or organization, political or otherwise, that advocates the overthrow of the Government of the United States or of the State of California by force or violence or other unlawful means.

Dated: December 19, 2022

Signature:

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Hubert U. King

**Meeting Minutes  
November 16, 2021**

**TO:** Board of Directors  
North San Diego County Health Facilities Financing Authority

**MEETING DATE:** Monday, December 19, 2022

**FROM:** Tanya Howell, Secretary

**BACKGROUND:** The minutes of the North San Diego County Health Facilities Financing Authority Board of Directors meeting held on Tuesday, November 16, 2021, are respectfully submitted for approval (*Addendum A*).

**Motion:** X

**Individual Action:**

**Information:**

**RESOLUTION:**

**Confirming Election of the Chair, Vice-Chair and Treasurer/Controller of Said Authority; Appointing the Secretary of Said Authority; and Setting the Date, Time and Place for the Regular Meeting of the Board of Directors of Said Authority for Calendar Year 2023**

**TO:** Board of Directors  
North San Diego County Health Facilities Financing Authority  
**MEETING DATE:** Monday, December 19, 2022  
**FROM:** Tanya Howell, Secretary

**BACKGROUND:** Pursuant to Article III of the Bylaws of The Authority, the terms of office of the officers of The Authority shall be from the date of election through the date of the first regular meeting of The Authority in the next succeeding calendar year. Accordingly, nominations for the offices of Chair, Vice-Chair and Treasurer/Controller of The Authority, as well as the appointment of a Secretary of The Authority, will be required at this first meeting of 2022.

The current slate of officers is as follows:

- Diane Hansen, Chair
- Ray Rivas, Vice-Chair
- *Vacant*, Treasurer/Controller
- Tanya Howell, Secretary (by appointment)

As a reminder, meetings may be held at any location within the District boundaries of either the Grossmont Healthcare District, Palomar Health or the Tri-City Healthcare District.

In addition, the option to hold virtual meetings is also available through January 1, 2024: Pursuant to §4.C.(2) of the JPA Agreement, meetings may be held by teleconference as permitted by the Brown Act; and, Assembly Bill 361, signed into law on September 16, 2021, suspends the in-person meeting requirements of the Brown Act, allowing meetings to be held virtually during a declared state of emergency [with other specific provisions] and as long as the meeting information is posted publicly. The following options are being proffered as potential dates. Both dates are the 5<sup>th</sup> week of the month, which will hopefully preclude conflicts with any of our District Board/Board Committee meetings.

WEDNESDAY, NOVEMBER 29, 2023		THURSDAY, NOVEMBER 30, 2023		
2:00 P.M.	3:00 P.M.	11:00 A.M.	12:00 NOON	1:00 P.M.

It is recommended that the meeting be scheduled as a virtual meeting.

Attached as Addendum B is a draft of Resolution No. 12.19.22(01)-01 Confirming Election of the Chair, Vice-Chair and Treasurer/Controller of Said Authority; Appointing the Secretary of Said Authority; and Setting the Date, Time and Place for the Regular Meeting of the Board of Directors of Said Authority for Calendar Year 2023.

**Motion:**

**Individual Action:** X

**Information:**

## Dissolution of the North San Diego County Health Facilities Financing Authority

**TO:** Board of Directors  
North San Diego County Health Facilities Financing Authority

**MEETING DATE:** Monday, December 19, 2022

**FROM:** Tanya Howell, Secretary

**BACKGROUND:** Bond Counsel at Orrick, Herrington & Sutcliffe (“Bond Counsel”) has confirmed that all of the debt of the Authority is no longer outstanding under the terms of the instrument that provided for its issuance or incurrence, which means the Authority may now be dissolved. Based on Bond Counsel’s records as of February 2018, which was also recently confirmed against the Authority’s records by the Secretary, below is a list of the issuances in which the Authority participated:

1. Palomar Health
  - a. GO Bonds, Series 2005A – no longer outstanding
  - b. 2006 COPs – no longer outstanding as of November 15<sup>th</sup>, all fully prepaid by December 8<sup>th</sup>
  - c. GO Bonds, Series 2007A – outstanding, but not an indebtedness of the Authority; Authority’s participation was solely limited to purchasing Bonds by Palomar Health and then immediately reselling to the underwriter
  - d. GO Bonds, Series 2009A – outstanding, but not an indebtedness of the Authority; Authority’s participation was solely limited to purchasing Bonds by Palomar Health and then immediately reselling to the underwriter
  - e. 2009 COPs – no longer outstanding
2. Grossmont Healthcare District
  - a. GO Bonds, Series 2007A – outstanding, but not an indebtedness of the Authority; Authority’s participation was solely limited to purchasing Bonds by Grossmont and then immediately reselling to the underwriter
3. Tri-City Health Care District
  - a. None

Bond Counsel provided a brief explanation regarding why the dissolution could occur, even though the Palomar Health 2007A and 2009A GO Bonds and the Grossmont 2007A GO Bonds were still outstanding, noting that those bonds were not indebtedness of the Authority. The Authority’s role was solely to purchase and simultaneously resell the bonds to the underwriter to comply with the Marks-Roos Act in effect at that time. When the San Diego County Health Facilities Financing Authority (“SDHFFA”) was dissolved in October 2018, the Palomar 2010A GO Bonds and the Grossmont 2011B GO Bonds were, and still are, outstanding; however, because SDCHFFA’s participation was solely limited to purchasing and then immediately reselling the bonds to the underwriter, it was not considered an indebtedness of the SDCHFFA and did not prevent the dissolution. The same situation exists in connection with the proposed dissolution of the Authority.

## Dissolution of the North San Diego County Health Facilities Financing Authority

According to Bond Counsel, the following steps are required to accomplish the dissolution of the Authority:

### Steps to dissolve the Authority:

1. Confirm no resolutions of the Authority from February 2018 to the current date for a financing for Tri-City – **Tanya - DONE**
2. Draft documentation – **Bond Counsel** (*a. and b. are attached as Addendum C; c are standard forms of the Secretary of State's office*)
  - a. Resolutions to terminate the JPA agreement for the Board of Directors of each of the 3 members to adopt
  - b. Termination Agreement to be signed by each of the 3 members
  - c. Notices to be filed with the Secretary of State and the Controller
3. Initial conversations are being held at this meeting, specifically to explain the dissolution process with the Members from Grossmont and Tri-City
  - a. Each Member will need to identify the date of the board meeting at which the resolution can be presented for adoption
4. Provide documentation to be reviewed by Grossmont and Tri-City and their respective counsel
  - a. Bond Counsel will be available offline to answer any questions
5. Members' respective Boards of Directors will need to adopt the resolutions; and Members will need to execute the Termination Agreement
6. Bond Counsel will file appropriate notices of dissolution with the State of California, which are items described in Step 2.c. above.

**Motion:**

**Individual Action:**

**Information:**           X

# ADDENDUM A

# North San Diego County Health Facilities Financing Authority

## BOARD OF DIRECTORS

### ATTENDANCE ROSTER

[V = Virtual    P = Present    E = Excused    A = Absent    D = Designate    CD = Chair Designate    G = Guest]

CURRENT MEMBERS	MEETING DATES:							
	11/4/16	10/30/17	10/29/18	12/13/19	12/16/20	11/16/21		
Michael Bogert – Treasurer/Controller					V	V		
Steve Dietlin	E	P	P	E	V	V		
Diane Hansen – Chair	P	P	P	P	V	V		
Tanya Howell – Secretary	P	P	P	P	V	V		
Ray Rivas – Vice-Chair	P	P	P	P	V	V		
Tom Scaglione						V		
Christian Wallis						V		
<b>FORMER MEMBERS</b>								
Carlos Bohorquez			D (King)	P				
Bob Hemker	E	E						
Barry Jantz	P	E	P	P	V			
Hugh King			E					
Tom Saiz	P	P	P	E	E			
<b>DESIGNATES</b>								
David Bennett	D (Dietlin)							
Blaise Jackson								
Carlos Moya				D (Saiz)	D (Saiz)			
Jeff Scott		D (Jantz)		D (Dietlin)				
Dan Steeber	D (Hemker)	D (Hemker)						
<b>AUTHORITY BOND COUNSEL</b>								
Robyn Helmlinger						V		
<b>FORMER AUTHORITY BOND COUNSEL</b>								
Kathleen Leak	E	E	E	E	E			
<b>INVITED GUESTS</b> SEE TEXT OF MINUTES FOR NAMES OF GUEST PRESENTER(S)								

**NORTH SAN DIEGO COUNTY HEALTH FACILITIES FINANCING AUTHORITY  
BOARD OF DIRECTORS MEETING MINUTES – TUESDAY, NOVEMBER 16, 2021**

**I. AGENDA ITEM**

**A. DISCUSSION**

**ACTION/COMMENTS**

**I. CALL TO ORDER & ESTABLISHMENT OF QUORUM**

- NOTICE OF MEETING: The notice of meeting was posted at all facilities on Wednesday, December 9, 2020, which is consistent with legal requirements
  - It was also posted on the websites of Grossmont Healthcare District, Palomar Health and Tri-City Healthcare District
- The meeting – held virtually pursuant to Assembly Bill 361 – was called to order at 2:10 p.m. by Chair Diane Hansen
  - All members were either present or had sent a designate in their place (*see roster for list of attendees*)

**II. PUBLIC COMMENTS**

- There were no public comments

**III. OATHS OF OFFICE**

- As Christian Wallis, Chief Executive Officer at Grossmont Healthcare District, was not in that position when the Authority Board held its last meeting, he was welcomed by Chair Hansen as a newly appointed director, then Secretary Howell requested that he silently read the Oath of Office and state that he would abide by same
  - Mr. Wallis read the oath, stated, “I so swear”, and will mail two originals of the signed document to Secretary Howell for the Authority Board’s records
- As Tom Scaglione, Interim Chief Financial Officer at Grossmont Healthcare District, was not in that position when the Authority Board held its last meeting, he was welcomed by Chair Hansen as a newly appointed director, then Secretary Howell requested that he silently read the Oath of Office and state that he would abide by same
  - Mr. Scaglione read the oath to himself, stated, “I so swear”, and will mail two originals of the signed document to Secretary Howell for the Authority Board’s records

**IV. APPROVAL OF MINUTES**

A. Wednesday, December 16, 2020

**MOTION:** By Director Bogert, seconded Director Dietlin and carried to approve the amended minutes from the Wednesday, December 16, 2020, meeting of the Authority Board.

Vote taken:

Director Bogert – aye; Director Dietlin – aye; Director Rivas – aye; Director Scaglione – aye; Director Wallis – aye; Chair Hansen – aye

- Referencing Page 9 of the agenda packet, Secretary Howell noted there was a typo in the minutes
  - The minutes used the phrase, “to recommend approval”; however, since this body doesn’t report up to another entity, the phrase should have read, “to approve”
  - That error will be corrected prior to publication of the minutes

**V. INFORMATION ITEM(S)**

- None

**VI. DISCUSSION AGENDA ON VOTE AT END**

- Chair Hansen noted that motions would be taken for each of the agenda Items A through E; however, the vote would be held until those matters were all addressed by voting on the Resolution in Item F

**NORTH SAN DIEGO COUNTY HEALTH FACILITIES FINANCING AUTHORITY  
BOARD OF DIRECTORS MEETING MINUTES – TUESDAY, NOVEMBER 16, 2021**

**I. AGENDA ITEM**

<b>A. DISCUSSION</b>	<b>ACTION/COMMENTS</b>
<p><b>A. ELECTION OF CHAIR</b></p> <ul style="list-style-type: none"> <li>• Chair Hansen opened the floor for nominations</li> </ul>	<p><b>MOTION:</b> By Director Bogert, seconded by Director Rivas to nominate Director Hansen as Chair</p>
<p><b>B. ELECTION OF VICE-CHAIR</b></p> <ul style="list-style-type: none"> <li>• Chair Hansen opened the floor for nominations</li> </ul>	<p><b>MOTION:</b> By Director Hansen, seconded by Director Bogert to nominate Director Rivas as Vice-Chair</p>
<p><b>C. ELECTION OF TREASURER/CONTROLLER</b></p> <ul style="list-style-type: none"> <li>• Chair Hansen opened the floor for nominations</li> </ul>	<p><b>MOTION:</b> By Director Rivas, seconded by Director Hansen to nominate Director Bogert as Treasurer/Controller</p>
<p><b>D. APPOINTMENT OF SECRETARY</b></p> <ul style="list-style-type: none"> <li>• Chair Hansen noted that the assistant to Palomar’s CFO (e.g., Tanya Howell) has always been appointed Secretary for the Authority and she saw no reason to change that</li> </ul>	<p><b>MOTION:</b> By Chair Hansen, seconded by Director Bogert to appoint the Executive Assistant to the Chief Financial Officer of Palomar Health as Secretary</p>
<p><b>E. ESTABLISHMENT OF TIME &amp; PLACE FOR REGULAR BOARD MEETINGS</b></p> <ul style="list-style-type: none"> <li>• Chair Hansen stated that there were a total of 2 dates in the month of November 2022 that didn’t appear to interfere with any Board or Board Committee meetings for either of the three districts, and 3 time options for each date: <ul style="list-style-type: none"> <li>o Tuesday, November 29, 2022 <ul style="list-style-type: none"> <li>– 1:00 p.m.; 2:00 p.m.; or 3:00 p.m.</li> </ul> </li> <li>o Wednesday, November 30, 2022 <ul style="list-style-type: none"> <li>– 10:00 a.m.; 12:00 noon; or 3:00 p.m.</li> </ul> </li> </ul> </li> </ul>	<p><b>MOTION:</b> By Director Hansen, seconded by Director Rivas to hold the annual regular meeting of the Board for Calendar Year 2022 at 1:00 p.m. on Tuesday, November 29, 2022, with the location TBD</p> <p><b>Note: The location was not discussed but can be scheduled closer to the date/time of the meeting</b></p>
<ul style="list-style-type: none"> <li>• Mrs. Howell noted that she had submitted invitations to all members for the above-referenced dates and those who had responded, responded favorably for all the options</li> <li>• Director Hansen asked Mrs. Howell to choose a date/time combination and she recommended 1:00 p.m. on Tuesday, November 29, 2022</li> </ul>	
<p><b>F. ADOPTION OF RESOLUTION NO. 11.16.21(01)-01, CONFIRMING ELECTION OF THE CHAIR, VICE-CHAIR AND TREASURER/CONTROLLER OF SAID AUTHORITY; APPOINTING THE SECRETARY OF SAID AUTHORITY; AND SETTING THE DATE, TIME AND PLACE FOR REGULAR MEETINGS OF THE BOARD OF DIRECTORS OF SAID AUTHORITY</b></p>	<p><b>MOTION:</b> By Director Bogert, seconded by Director Rivas and carried to adopt Resolution No. 11.16.21(01)–01, as amended to reflect the actions taken in Agenda Items VI.A-E. Secretary Howell will amend the resolution to reflect the action taken and the vote, and will then forward it to Chair Hansen for signature.</p> <p>Vote taken by roll call:</p> <p>Director Bogert – aye; Director Dietlin – aye; Director Rivas – aye; Director Scaglione – aye; Director Wallis – aye; Chair Hansen – aye</p>
<ul style="list-style-type: none"> <li>• No discussion</li> </ul>	



# ADDENDUM B

**North San Diego County Health Facilities Financing Authority**

**Resolution No. 12.19.22(01)-01**

A RESOLUTION CONFIRMING ELECTION OF THE CHAIR, VICE-CHAIR AND TREASURER/CONTROLLER OF SAID AUTHORITY; APPOINTING THE SECRETARY OF SAID AUTHORITY; AND SETTING THE DATE, TIME AND PLACE FOR THE REGULAR MEETING OF THE BOARD OF DIRECTORS OF SAID AUTHORITY FOR CALENDAR YEAR 2023.

**WHEREAS**, Palomar Health, a local healthcare district duly organized and existing under the laws of the State of California ("PH") and Tri-City Healthcare District, a local healthcare district duly organized and existing under the laws of the State of California, have heretofore executed a joint exercise of powers agreement (the "JPA Agreement"), which JPA Agreement established and created the North San Diego County Health Facilities Financing Authority (the "Authority"); and,

**WHEREAS**, on May 11, 2007, pursuant to a request received from Grossmont Healthcare District, a local healthcare district duly organized and existing under the laws of the State of California ("Grossmont"), and a "public agency" as such term is defined in the JPA Agreement, the Board of Directors of the Authority (the "Board") approved the addition of Grossmont as an additional Member (as such term is defined in the JPA Agreement) in accordance with the provisions set forth in Section 19 of the JPA Agreement; and,

**WHEREAS**, the Board adopted bylaws, as amended to the date hereof (the "Bylaws") on May 27, 2005; and,

**WHEREAS**, pursuant to the JPA Agreement and the Bylaws, the Board desires to elect a Chair, a Vice-Chair and a Treasurer/Controller and to appoint a Secretary; and,

**WHEREAS**, pursuant to the JPA Agreement and the Bylaws, the Board desires to establish certain provisions regarding the holding of regular meetings;

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Directors of the Authority, as follows:

**Section 1.** Pursuant to Section 4D.(1) of the JPA Agreement, \_\_\_\_\_ is hereby elected Chair of the Authority, \_\_\_\_\_ is hereby elected Vice-Chair of the Authority, \_\_\_\_\_ is hereby elected Treasurer/Controller of the Authority, and the executive assistant to the Chief Financial Officer of Palomar Health is hereby appointed Secretary of the Authority.

**Section 2.** Pursuant to Sections 4C.(1) and 4C.(2) of the JPA Agreement, regular meetings of the Board shall be held subject to the provisions of the Brown Act, at least once each year.

Accordingly, meetings of the Board may be held at any one of the following locations: 15615 Pomerado Road, Poway, California 92064; 2125 Citracado Parkway, Suite 300, Escondido, California 92029; 2185 Citracado Parkway, Escondido, California 92029; 975 S. Andreasen Drive, Escondido, California 92029; 120 Craven Road, San Marcos, California 92078; 4002 Vista Way, Oceanside, California 92056; 6250 El Camino Real, Carlsbad, California 92009; 9001 Wakarusa Street, La Mesa, California 91942; via virtual meeting as provided under Assembly Bill 361, signed into law on September 16, 2021, as it may be amended from time to time; or at such other location as the Board may designate from time to time by resolution of the Board.

The annual regular meeting of the Board for Calendar Year 2023 shall be held virtually at x:xx x.m. on the xx day of Month, 2023, or such other time and/or date as shall be specified by the Chair of the Authority in a written notice calling such regular meeting, which written notice shall be delivered by the Secretary of the Authority to each member of the Board, the Chair of the Authority, the Vice-Chair of the Authority, and the Treasurer/Controller of the Authority, with the location to be publicly posted at least seventy-two (72) hours prior to the date of such regular meeting.

**Section 3.** This Resolution shall take effect from and after its adoption.

**Passed and Adopted** by the Board of Directors of the North San Diego County Health Facilities Financing Authority this 19<sup>th</sup> Day of December, 2022.

**North San Diego County Health Facilities  
Financing Authority**

By: \_\_\_\_\_  
Name, Chair

I hereby certify that the foregoing is a full, true and correct copy of a resolution duly passed and adopted by the Board of Directors of the North San Diego County Health Facilities Financing Authority at a meeting thereof held in accordance with law on December 19, 2022, by the following vote of the members thereof:

AYES:

NOES:

ABSENT:

ABSTENTIONS:

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Tanya Howell, Secretary

# ADDENDUM C

**GROSSMONT HEALTHCARE DISTRICT**

**RESOLUTION NO. \_\_\_\_\_**

**RESOLUTION OF THE BOARD OF DIRECTORS OF GROSSMONT HEALTHCARE DISTRICT AUTHORIZING TERMINATION OF THE NORTH SAN DIEGO COUNTY HEALTH FACILITIES FINANCING AUTHORITY; APPROVING THE FORM OF, AND AUTHORIZING THE EXECUTION AND DELIVERY OF, A TERMINATION AGREEMENT; AND AUTHORIZING THE TAKING OF CERTAIN OTHER ACTIONS IN CONNECTION THEREWITH.**

**WHEREAS**, pursuant to a Joint Exercise of Powers Agreement, dated May 27, 2005 (the “JPA Agreement”), Palomar Health (“PH”) and Tri-City Healthcare District (“Tri-City”) created and established a joint exercise of powers entity known as the “North San Diego County Health Facilities Financing Authority” (the “Authority”) with each of PH and Tri-City as the initial members of the Authority; and

**WHEREAS**, the Authority was established to provide for the sale of general obligation bonds or other bonds issued by a member of the Authority and for the purpose of facilitating the acquisition, maintenance, construction, altering or equipping of health facilities or other public capital improvements by the members of the Authority and the financing or refinancing of such health facilities or other public capital improvements through the issuance of bonds of the Authority; and

**WHEREAS**, on May 11, 2007, Grossmont Healthcare District (“Grossmont”) became an additional member of the Authority in accordance with the provisions of the JPA Agreement; and

**WHEREAS**, PH, Tri-City and Grossmont are the only members of the Authority, and each member has no further need for the Authority and desires to terminate the JPA Agreement as permitted pursuant to the provisions of the JPA Agreement; and

**WHEREAS**, there has been prepared and presented to the Board of Directors of Grossmont (the “Board of Directors”) a proposed form of termination agreement (the “Termination Agreement”);

**NOW, THEREFORE, BE IT RESOLVED THAT:**

**Section 1. Recitals.** The foregoing recitals are true and correct, and this Board of Directors so finds and determines.

**Section 2. Termination Agreement.** The proposed form of Termination Agreement presented to this meeting is hereby approved. The Chief Executive Officer of Grossmont or the Chief Financial Officer of Grossmont (each an “Authorized Grossmont

Representative”), is hereby authorized and directed, for and in the name of and on behalf of Grossmont, to execute and deliver a Termination Agreement, in substantially said form, with such changes therein as the Authorized Grossmont Representative executing the same, with the advice of counsel to Grossmont, may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

**Section 3. Further Authorization; Ratification of Actions.** Each Authorized Grossmont Representative, or any designee of either thereof, is authorized and directed to do any and all things and to execute and deliver any and all certificates, which such Authorized Grossmont Representative may deem necessary or advisable in order to carry out, give effect to and comply with the terms and intent of this Resolution.

**Section 4. Effective Date.** This Resolution shall take effect from the date of adoption hereof.

**PASSED AND ADOPTED** by the Board of Directors of Grossmont Healthcare District on the [ ]th day of [ ], 2023, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAINING:

Dated: [ ], 2023.

By: \_\_\_\_\_  
[ ]  
Chair, Board of Directors

Attested:

\_\_\_\_\_  
[ ]  
Secretary, Board of Directors

**PALOMAR HEALTH**

**RESOLUTION NO. \_\_\_\_\_**

**RESOLUTION OF THE BOARD OF DIRECTORS OF PALOMAR HEALTH AUTHORIZING TERMINATION OF THE NORTH SAN DIEGO COUNTY HEALTH FACILITIES FINANCING AUTHORITY; APPROVING THE FORM OF, AND AUTHORIZING THE EXECUTION AND DELIVERY OF, A TERMINATION AGREEMENT; AND AUTHORIZING THE TAKING OF CERTAIN OTHER ACTIONS IN CONNECTION THEREWITH.**

**WHEREAS**, pursuant to a Joint Exercise of Powers Agreement, dated May 27, 2005 (the “JPA Agreement”), Palomar Health (“PH”) and Tri-City Healthcare District (“Tri-City”) created and established a joint exercise of powers entity known as the “North San Diego County Health Facilities Financing Authority” (the “Authority”) with each of PH and Tri-City as the initial members of the Authority; and

**WHEREAS**, the Authority was established to provide for the sale of general obligation bonds or other bonds issued by a member of the Authority and for the purpose of facilitating the acquisition, maintenance, construction, altering or equipping of health facilities or other public capital improvements by the members of the Authority and the financing or refinancing of such health facilities or other public capital improvements through the issuance of bonds of the Authority; and

**WHEREAS**, on May 11, 2007, Grossmont Healthcare District (“Grossmont”) became an additional member of the Authority in accordance with the provisions of the JPA Agreement; and

**WHEREAS**, PH, Tri-City and Grossmont are the only members of the Authority, and each member has no further need for the Authority and desires to terminate the JPA Agreement as permitted pursuant to the provisions of the JPA Agreement; and

**WHEREAS**, there has been prepared and presented to the Board of Directors of PH (the “Board of Directors”) a proposed form of termination agreement (the “Termination Agreement”);

**NOW, THEREFORE, BE IT RESOLVED THAT:**

**Section 1. Recitals.** The foregoing recitals are true and correct, and this Board of Directors so finds and determines.

**Section 2. Termination Agreement.** The proposed form of Termination Agreement presented to this meeting is hereby approved. The President and Chief Executive Officer of PH or the Chief Financial Officer of PH (each an “Authorized PH Representative”), is hereby authorized and directed, for and in the name of and on behalf of PH, to execute and deliver

a Termination Agreement, in substantially said form, with such changes therein as the Authorized PH Representative executing the same, with the advice of counsel to PH, may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

**Section 3. Further Authorization; Ratification of Actions.** Each Authorized PH Representative, or any designee of either thereof, is authorized and directed to do any and all things and to execute and deliver any and all certificates, which such Authorized PH Representative may deem necessary or advisable in order to carry out, give effect to and comply with the terms and intent of this Resolution.

**Section 4. Effective Date.** This Resolution shall take effect from the date of adoption hereof.

**PASSED AND ADOPTED** by the Board of Directors of Palomar Health on the [ ]th day of [ ], 2023, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAINING:

Dated: [ ], 2023.

By: \_\_\_\_\_  
Linda Greer, RN  
Chair, Board of Directors

Attested:

\_\_\_\_\_  
Terry Corales  
Secretary, Board of Directors

**TRI-CITY HEALTHCARE DISTRICT**

**RESOLUTION NO. \_\_\_\_\_**

**RESOLUTION OF THE BOARD OF DIRECTORS OF TRI-CITY HEALTHCARE DISTRICT AUTHORIZING TERMINATION OF THE NORTH SAN DIEGO COUNTY HEALTH FACILITIES FINANCING AUTHORITY; APPROVING THE FORM OF, AND AUTHORIZING THE EXECUTION AND DELIVERY OF, A TERMINATION AGREEMENT; AND AUTHORIZING THE TAKING OF CERTAIN OTHER ACTIONS IN CONNECTION THEREWITH.**

**WHEREAS**, pursuant to a Joint Exercise of Powers Agreement, dated May 27, 2005 (the “JPA Agreement”), Palomar Health (“PH”) and Tri-City Healthcare District (“Tri-City”) created and established a joint exercise of powers entity known as the “North San Diego County Health Facilities Financing Authority” (the “Authority”) with each of PH and Tri-City as the initial members of the Authority; and

**WHEREAS**, the Authority was established to provide for the sale of general obligation bonds or other bonds issued by a member of the Authority and for the purpose of facilitating the acquisition, maintenance, construction, altering or equipping of health facilities or other public capital improvements by the members of the Authority and the financing or refinancing of such health facilities or other public capital improvements through the issuance of bonds of the Authority; and

**WHEREAS**, on May 11, 2007, Grossmont Healthcare District (“Grossmont”) became an additional member of the Authority in accordance with the provisions of the JPA Agreement; and

**WHEREAS**, PH, Tri-City and Grossmont are the only members of the Authority, and each member has no further need for the Authority and desires to terminate the JPA Agreement as permitted pursuant to the provisions of the JPA Agreement; and

**WHEREAS**, there has been prepared and presented to the Board of Directors of Tri-City (the “Board of Directors”) a proposed form of termination agreement (the “Termination Agreement”);

**NOW, THEREFORE, BE IT RESOLVED THAT:**

**Section 1. Recitals.** The foregoing recitals are true and correct, and this Board of Directors so finds and determines.

**Section 2. Termination Agreement.** The proposed form of Termination Agreement presented to this meeting is hereby approved. The Chief Executive Officer of Tri-City or the Chief Financial Officer of Tri-City (each an “Authorized Tri-City Representative”), is hereby authorized and directed, for and in the name of and on behalf of Tri-City, to execute and

deliver a Termination Agreement, in substantially said form, with such changes therein as the Authorized Tri-City Representative executing the same, with the advice of counsel to Tri-City, may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

**Section 3. Further Authorization; Ratification of Actions.** Each Authorized Tri-City Representative, or any designee of either thereof, is authorized and directed to do any and all things and to execute and deliver any and all certificates, which such Authorized Tri-City Representative may deem necessary or advisable in order to carry out, give effect to and comply with the terms and intent of this Resolution.

**Section 4. Effective Date.** This Resolution shall take effect from the date of adoption hereof.

**PASSED AND ADOPTED** by the Board of Directors of Tri-City Healthcare District on the [ ]th day of [ ], 2023, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAINING:

Dated: [ ], 2023.

By: \_\_\_\_\_  
[ ]  
Chair, Board of Directors

Attested:

\_\_\_\_\_  
[ ]  
Secretary, Board of Directors

PALOMAR HEALTH,  
  
TRI-CITY HEALTHCARE DISTRICT  
  
and  
  
GROSSMONT HEALTHCARE DISTRICT

TERMINATION AGREEMENT

Dated January [ ], 2023

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## TERMINATION AGREEMENT

THIS TERMINATION AGREEMENT, dated January [ ], 2023 (this “Termination Agreement”), is among PALOMAR HEALTH, a local health care district and political subdivision of the State of California, formerly known as Palomar Pomerado Health (“PH”), TRI-CITY HEALTHCARE DISTRICT (“Tri-City”), a local health care district and political subdivision of the State of California, and GROSSMONT HEALTHCARE DISTRICT, a local health care district and political subdivision of the State of California (“Grossmont”).

### WITNESSETH:

WHEREAS, pursuant to a Joint Exercise of Powers Agreement, dated May 27, 2005 (the “JPA Agreement”), PH and Tri-City created and established a joint exercise of powers entity known as the “North San Diego County Health Facilities Financing Authority” (the “Authority”) with each of PH and Tri-City as the initial Members of the Authority; and

WHEREAS, capitalized terms used and not defined in this Termination Agreement shall have the meanings assigned to them in the JPA Agreement; and

WHEREAS, the Authority was established to provide for the sale in accordance with the Mark-Roos Act of general obligation bonds or other bonds issued by a Member of the Authority pursuant to the Health Care District Law and for the purpose of facilitating the acquisition, maintenance, construction, altering or equipping of health facilities or other public capital improvements by the Members of the Authority and the financing or refinancing of such health facilities or other public capital improvements through the issuance of Bonds of the Authority; and

WHEREAS, on May 11, 2007, Grossmont became an additional Member of the Authority in accordance with the provisions of the JPA Agreement; and

WHEREAS, the provisions of the JPA Agreement permit the Members to terminate the JPA Agreement in a writing signed by all of the Members provided that the JPA Agreement shall not be terminated while any Bonds or any other obligations of the Authority remain outstanding under the terms of any indenture, trust agreement, contract, agreement, lease, sublease or other instrument pursuant to which such Bonds are issued or executed and delivered or other obligations are incurred; and

WHEREAS, no Bonds or any other obligations of the Authority remain outstanding under the terms of any indenture, trust agreement, contract, agreement, lease, sublease or any other instrument; and

WHEREAS, PH, Tri-City and Grossmont, each of which is a party to this Termination Agreement, are the only Members of the Authority, and each Member has no further need for the Authority and desires to terminate the JPA Agreement; and

WHEREAS, there is no surplus money in possession of the Authority, no funds or accounts has ever been established by the Authority, and the Authority has no property, both real and personal; and

NOW, THEREFORE, in consideration of the foregoing, the parties hereto hereby agree as follows:

## ARTICLE I

### TERMINATION; RECORDS

Section 1.1. Termination. On the date of this Termination Agreement (hereinafter referred to as the "Termination Date"), PH, Tri-City and Grossmont hereby agree that the JPA Agreement is terminated.

Section 1.2. Records to be Retained. PH, Tri-City and Grossmont agree that all records regarding the formation and existence of the Authority, any Bonds issued by the Authority, any obligations incurred by the Authority and proceedings pertaining to the termination of the Authority shall be retained for at least six (6) years following the Termination Date, such records to be retained by the Executive Assistant to the President and Chief Executive Officer of PH, who has been designated as Secretary of the Board of Directors of the Authority.

## ARTICLE II

### REPRESENTATIONS OF THE PARTIES

Section 2.1. Representations of PH. PH makes the following representations as of the Termination Date:

(a) PH is a local health care district and political subdivision of the State of California, has the requisite legal right, power and authority to enter into this Termination Agreement and to carry out and consummate all transactions contemplated with respect to PH hereby and by proper local health care district action has duly authorized the execution, delivery and performance of this Termination Agreement.

(b) The recitals set forth above are true and correct.

(c) PH has duly authorized, executed and delivered this Termination Agreement, and this Termination Agreement constitutes the legal, valid and binding agreement of PH, enforceable against PH in accordance with its terms, subject to bankruptcy, insolvency, reorganization, arrangement, fraudulent conveyance, moratorium and other laws relating to or affecting the enforcement of creditors' rights, to the application of equitable principles, regardless of whether enforcement is sought in a proceeding at law or in equity, to public policy and to the exercise of judicial discretion in appropriate cases.

(d) The representative of PH executing this Termination Agreement is duly authorized to execute this Termination Agreement.

Section 2.2. Representations of Tri-City. Tri-City makes the following representations as of the Termination Date:

(a) Tri-City is a local health care district and political subdivision of the State of California, has the requisite legal right, power and authority to enter into this Termination Agreement and to carry out and consummate all transactions contemplated with respect to Tri-City hereby and by proper local health care district action has duly authorized the execution, delivery and performance of this Termination Agreement.

(b) The recitals set forth above are true and correct.

(c) Tri-City has duly authorized, executed and delivered this Termination Agreement, and this Termination Agreement constitutes the legal, valid and binding agreement of Tri-City enforceable against Tri-City in accordance with its terms, subject to bankruptcy, insolvency, reorganization, arrangement, fraudulent conveyance, moratorium and other laws relating to or affecting the enforcement of creditors' rights, to the application of equitable principles, regardless of whether enforcement is sought in a proceeding at law or in equity, to public policy and to the exercise of judicial discretion in appropriate cases.

(d) The representative of Tri-City executing this Termination Agreement is duly authorized to execute this Termination Agreement.

Section 2.3. Representations of Grossmont. Grossmont makes the following representations as of the Termination Date:

(a) Grossmont is a local health care district and political subdivision of the State of California, has the requisite legal right, power and authority to enter into this Termination Agreement and to carry out and consummate all transactions contemplated with respect to Grossmont hereby and by proper local health care district action has duly authorized the execution, delivery and performance of this Termination Agreement.

(b) The recitals set forth above are true and correct.

(c) Grossmont has duly authorized, executed and delivered this Termination Agreement, and this Termination Agreement constitutes the legal, valid and binding agreement of Grossmont, enforceable against Grossmont in accordance with its terms, subject to bankruptcy, insolvency, reorganization, arrangement, fraudulent conveyance, moratorium and other laws relating to or affecting the enforcement of creditors' rights, to the application of equitable principles, regardless of whether enforcement is sought in a proceeding at law or in equity, to public policy and to the exercise of judicial discretion in appropriate cases.

(d) The representative of Grossmont executing this Termination Agreement is duly authorized to execute this Termination Agreement.

## ARTICLE III

### MISCELLANEOUS

Section 3.1. Amendments. This Termination Agreement may be amended, changed or modified only by a mutual written agreement executed by PH, Tri-City and Grossmont.

Section 3.2. Binding Effect; Successors and Assigns. This instrument shall inure to the benefit of and shall be binding upon PH, Tri-City and Grossmont and their respective successors and assigns.

Section 3.3. Complete Agreement. This Termination Agreement constitutes the entire agreement among PH, Tri-City and Grossmont with respect to the subject matter of this Termination Agreement and supersedes all prior agreements and understandings, both written and oral, with respect to the subject matter of this Termination Agreement.

Section 3.4. Waiver of Personal Liability. No member of the board of directors of each of PH, Tri-City and Grossmont or any officer, agent or employee of each of PH, Tri-City and Grossmont shall be subject to any personal liability or accountability by reason of the execution and delivery of this Termination Agreement; but nothing herein contained shall relieve any such member, director, officer, official, agent or employee from the performance of any official duty provided by law or by this Termination Agreement.

Section 3.5. Severability. If any provision of this Termination Agreement or any portion of any provision contained in this Termination Agreement, where the application thereof to any person or circumstance is held to be unconstitutional, invalid or unenforceable, the remainder of this Termination Agreement and the application of such provision, or portion thereof, to other persons or circumstances, shall be deemed severable and shall not be affected thereby, and this Termination Agreement shall remain valid.

Section 3.6. Counterparts. This Termination Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute one instrument.

Section 3.7. Governing Law. The laws of the State of California govern all matters arising out of or relating to this Termination Agreement, including, without limitation, its validity, interpretation, construction, performance, and enforcement.

IN WITNESS WHEREOF, PH, Tri-City and Grossmont have caused this Termination Agreement to be executed as of the date first written above.

PALOMAR HEALTH

By \_\_\_\_\_  
Diane L. Hansen  
President and Chief Executive Officer

TRI-CITY HEALTHCARE DISTRICT

By \_\_\_\_\_  
Steve Dietlin  
Chief Executive Officer

GROSSMONT HEALTHCARE DISTRICT

By \_\_\_\_\_  
Christian Wallis  
Chief Executive Officer