

TULARE LOCAL HEALTHCARE DISTRICT

RESOLUTION NO. 917

RESOLUTION AUTHORIZING THE COMMENCEMENT OF PROCEEDINGS IN CONNECTION WITH THE ISSUANCE AND SALE OF REVENUE BONDS BY THE TULARE LOCAL HEALTHCARE DISTRICT TO FINANCE A PORTION OF THE COSTS OF A NEW HOSPITAL TOWER, RETAINING A MUNICIPAL ADVISOR, AN UNDERWRITER, BOND COUNSEL AND DISCLOSURE COUNSEL, EXPRESSING OFFICIAL INTENT REGARDING CERTAIN CAPITAL EXPENDITURES TO BE REIMBURSED WITH PROCEEDS OF SUCH BONDS AND DIRECTING CERTAIN ACTIONS WITH RESPECT THERETO

RESOLVED, by the Board of Trustees (the "Board") of the Tulare Local Healthcare District (the "District"), as follows:

WHEREAS, the District has determined that is prudent at this time to issue and sell its revenue bonds (the "Bonds"), to finance a portion of the costs of a new hospital tower (the "Project");

WHEREAS, all or a portion of the expenditures relating to the Project (the "Expenditures") (i) have been paid within the sixty days prior to the passage of this Resolution or (ii) will be paid on or after the passage of this Resolution;

WHEREAS, the District reasonably expects to reimburse itself for the Expenditures with the proceeds of the portion of the Bonds the interest on which will be excluded from the gross income of the owner or owners of such Bonds;

WHEREAS, it is appropriate that the Board formally authorize the preparation of the necessary documents in connection with the issuance and sale of the Bonds by the Authority and to retain a municipal advisor, an underwriter, bond counsel and disclosure counsel to assist the District;

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

Section 1. The District reasonably expects to reimburse the Expenditures with proceeds of the portion of the Bonds the interest on which will be excluded from the gross income of the owner or owners of such Bonds.

Section 2. The maximum principal amount of the Bonds is expected to be \$30,000,000.

Section 3. This Resolution is a declaration of official intent to reimburse expenditures pursuant to Treasury Regulations Section 1.150-2.

Section 4. The District authorizes the President, the Vice President, the Chief Executive Officer (the "Authorized Officers") and other appropriate officers and officials of the District to proceed with the preparation of the necessary documents in connection with the issuance and sale of the Bonds, subject to the consideration by the Board. Adoption of this resolution in no way obligates the District to issue any Bonds, such determination is to be made by the Board at a subsequent meeting.

Section 5. Wulff Hansen & Co. is hereby retained as municipal advisor to the District in connection with the issuance and sale of the Bonds, the compensation for such services as set forth in such firm's agreement for municipal advisory services on file with the District Clerk.

Section 6. Quint & Thimmig LLP is hereby retained as bond counsel and as disclosure counsel, in connection with the issuance and sale of the Bonds, the compensation for such services to be as set forth in an agreement for legal services to be provided.

Section 7. The Authorized Officers and other appropriate officers and officials of the District are hereby authorized and directed to take such action and to execute such documents as may be necessary or desirable to effectuate the intent of this Resolution.

Section 8. This Resolution shall be in full force and effect immediately upon its adoption.

I hereby certify that the foregoing resolution was duly adopted at a meeting of the Board of Directors of Tulare Local Healthcare District held on the 22 day of February 2023, by the following vote:

AYES, and in favor of, Board Members: 4 Price, Northcraft, Jamaica, Avila

NOES, Board Members: 0

ABSENT, Board Members: 0

By 
Secretary

ADDENDUM TO MUNICIPAL ADVISORY AGREEMENT

Addendum 3

1. Purpose

This Addendum 3 to the Municipal Advisory Agreement dated June 2, 2022 between Tulare Local Healthcare District (hereafter, "CLIENT") and Wulff, Hansen & Co. (hereafter, "Municipal Advisor" or "Advisor" or "MA") specifies and describes specific municipal advisory services to be performed by Municipal Advisor under that Agreement.

2. Services

2.1 Scope of Services

Municipal Advisor will provide the following services to CLIENT pursuant to this Addendum:

Assist CLIENT in developing a financing structure (the "Financing") to partially fund components of CLIENT's hospital tower project (the "Facilities"). The public financing required to complete said Facilities is currently estimated to be \$20-30 million.

Municipal Advisor agrees to perform the following services, as appropriate, for CLIENT during the term of this Addendum 3:

- a) Attendance at public meetings of the CLIENT at which matters relating to the Services are considered, except routine matters, including informational and educational meetings with the public;
- b) Attendance at CLIENT's staff meetings, Board of Directors meetings, upon the request of the CLIENT after reasonable notice;
- c) Work with CLIENT staff, relevant public agencies, and the Board of Directors to address matters relating to the Services and develop and coordinate recommendations acceptable to interested parties;
- d) If requested, assist the CLIENT in its selection of any needed outside professionals (e.g., Bond Counsel, consultants, accountants, Trustee, Escrow Agent and others as appropriate);
- e) Prepare a Distribution List with contact information on all relevant participants in the project and the refinancing and a Schedule indicating timing for significant steps in the process;
- f) Assist any of the CLIENT's staff and/or special consultants in developing specific terms and conditions affecting the project and the financing so as to best reflect the CLIENT's priorities and interests;
- g) Preparation of cash flow analysis and other schedules per CLIENT's direction and related consultation;
- h) Telephone consultation with staff members to answer questions about the project, the financing and related matters;
- i) Assist in preparing and arranging for any issuance of securities to be sold to a private investor through a placement agent (Private Placement) or alternatively through an underwriter (Public Offering);
- j) Assist the CLIENT in transmitting to the Bond Counsel and Disclosure Counsel requested information to be used in the creation of the Bond and Offering Documents;
- k) Assist the CLIENT and the Placement Agent/Underwriter, Bond Counsel and other members of the financing team in closing the transaction;
- l) Assist the CLIENT in efforts to maintain or improve the CLIENT's credit rating, including preparation of materials, presentation and conference calls in the process of application for rating from the various credit rating agencies, if applicable;
- m) Assist the CLIENT in the preparation of materials and presentation in the application process for bond insurance and a surety bond for the Debt Service Reserve requirement from the various Bond Insurers, if applicable;
- n) Assist CLIENT in efforts to obtain bond insurance, if desired, and/or a surety bond to replace the otherwise required Debt Service Reserve Fund;

- o) Review and advise with regard to the financial interaction of the Financing with other prospective and current CLIENT projects;
- p) Provide ongoing follow-up consultation relating to the Financing, as necessary.

2.2 Limitations on Scope of Services

The services to be provided by Municipal Advisor to CLIENT pursuant to this Addendum are subject to the following limitations in addition to those described in the Agreement.

None.

3. Termination

The provisions of this Addendum 3 shall terminate and thereafter be null and void upon the closing and completion of Services or December 31, 2023, whichever occurs first. This Addendum 3 may only be extended or amended by a written agreement between CLIENT and Wulff, Hansen & Co.

4. Fees

With regard to Services to be provided by Municipal Advisor under this Addendum 3, Municipal Advisor shall be compensated as follows:

Section 4.1 Contingent Municipal Advisor Fee

For a Financing transaction of up to \$15 million, the fee is \$57,500. Should the required Financing increase, the fee will increase by \$10,000 for each additional \$5 million dollars of funding or any portion thereof. The Financing fee shall be fully contingent on completion of the Financing and shall be paid from proceeds of the Financing.

Section 4.2 Reimbursement for Limited Out-of-Pocket Expenses

During the term of this Addendum 3, reasonable out-of-pocket expenses incurred by Municipal Advisor shall be reimbursed by CLIENT. Unless otherwise agreed to in writing by CLIENT and Municipal Advisor, reimbursement for out-of-pocket expenses shall not exceed \$5,000 in aggregate for the span of this Addendum 3. Reimbursable expenses are limited to travel and lodging expenses and must be pre-approved by CLIENT. Any reimbursed travel expenses will be paid within 30 days upon submission of an invoice by the Municipal Advisor. Such reimbursed expenses are separate from and in addition to any compensation due to Municipal Advisor under Section 4.1.

5. Conflicts of Interest

Municipal Advisor is not aware of any additional material conflicts of interest to which it is subject in the context of this Addendum 3 other than those previously disclosed to CLIENT in connection with the Agreement.

APPROVED:

Tulare Local Healthcare District

/s/ _____

Print Name and Title

Date: _____

APPROVED:

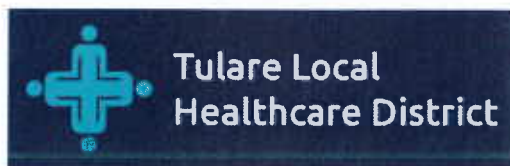
Wulff, Hansen & Co.

/s/ 

Chris Charles, President

Date: 02/15/2023

Agreement for Legal Services
TULARE LOCAL HEALTHCARE DISTRICT
Revenue Bonds, Series 2023
(Hospital Tower Project)



THIS AGREEMENT FOR LEGAL SERVICES is entered into this _____ day of _____, 2023, by and between the TULARE LOCAL HEALTHCARE DISTRICT (the "District") and QUINT & THIMMIG LLP, Larkspur, California ("Attorneys");

WITNESSETH:

WHEREAS, the District has determined that it is in the best interests of the District at this time to issue its Tulare Local Health Care District (Tulare County, California) Revenue Bonds, Series 2023 to finance a portion of the costs of a new hospital tower (the "Bonds");

WHEREAS, in connection with such proceedings the District requires the advice and assistance of bond counsel and disclosure counsel;

WHEREAS, the District has determined that Attorneys are qualified by training and experience to perform the services of bond counsel and disclosure counsel and Attorneys are willing to provide such services; and

WHEREAS, the public interest, economy and general welfare will be served by this Agreement for Legal Services;

NOW, THEREFORE, THE PARTIES HERETO MUTUALLY AGREE AS FOLLOWS:

Section 1. Duties of Attorneys.

(a) *Bond Counsel Services.* Attorneys shall provide legal services, as *bond counsel*, in connection with the authorization, issuance and consummation of the financing proceedings relating to the Bonds. Such services shall include the following:

(i) Consultation and cooperation with officials of the District, District legal counsel, financing consultants and other consultants, staff and employees of the District, and assisting such consultants, staff and employees in the formulation of a coordinated financial and legal bond issuance.

(ii) Preparation of all legal proceedings for the authorization, issuance and delivery of Bonds by the District; including preparation of the resolution authorizing the issuance of such Bonds, fixing the date, denominations, numbers, maturity and interest rates, providing the form of the Bonds and authorizing their execution, authentication and registration; certifying the terms and conditions upon which the same are to be issued; providing for the setting up of special funds for the disposition of proceeds of the sale of

the Bonds, including creation of reserve funds, if any, and such other funds as may be advisable, and providing all other details in connection therewith, including special covenants and clauses for the protection of the interests of the Bond holders; preparation of the resolution selling all or any part of the authorized Bond issue; preparation of all documents required for Bond delivery, including cumulative cash flow deficit certificates required by federal tax law, and supervising such delivery; preparation of all other proceedings incidental to or in connection with the issuance, sale and delivery of the Bonds.

(iii) Application for any Internal Revenue Service or other rulings necessary to assure tax-exempt status of the Bonds, or as required by the purchasers of the Bonds.

(iv) Upon completion of proceedings to the satisfaction of Attorneys, providing a legal opinion approving in all regards the legality of all proceedings for the authorization, issuance and delivery of Bonds, and stating that interest on the Bonds is excluded from gross income for purposes of federal income taxes and is exempt from State of California personal income taxation, which opinion shall inure to the benefit of the purchasers of the Bonds.

(v) Any and all legal consultation requested by the District concerning the Bonds at any time after delivery of the Bonds.

(vi) Such other and further services as are normally performed by bond counsel in connection with the issuance of the Bonds.

(viii) Attorneys will not be responsible for the preparation or content of the official statement other than to examine said official statement as concerns description of Bonds and matters within Attorneys' knowledge.

(b) *Disclosure Counsel Services.* Attorneys shall provide legal services, as *disclosure counsel*, in connection with the preparation of an official statement (the "Official Statement") to be used in connection with the offering and sale of Bonds, a continuing disclosure certificate and a bond purchase agreement. Such services shall include the following:

(i) Prepare the Official Statement (both preliminary and final) in connection with the offering of the Bonds;

(ii) Confer and consult with the officers and administrative staff of the District as to matters relating to the Official Statement;

(iii) Attend all meetings of the District and any administrative meetings at which the Official Statement is to be discussed, deemed necessary by Attorneys for the proper exercise of their due diligence with respect to the Official Statement, or when specifically requested by the District to attend;

(iv) On behalf of the District, prepare the continuing disclosure certificate in a form which is acceptable to the District and the underwriters of the Bonds;

(v) On behalf of the District, prepare the bond purchase agreement, if required, in a form which are acceptable to the District and the underwriters of the Bonds;

(vi) Subject to the completion of proceedings to the satisfaction of Attorneys, provide letters of Attorneys addressed to the District and the underwriters of the Bonds

to the effect that, although Attorneys have not undertaken to determine independently or assume any responsibility for the accuracy, completeness or fairness of the statements contained in the Official Statement, in the course of Attorneys participation in the preparation of the Official Statement Attorneys have been in contact with representatives of the District and others concerning the contents of the Official Statement and related matters, and, based upon the foregoing, nothing has come to Attorneys attention to lead Attorneys to believe that the Official Statement (except for any financial or statistical data or forecasts, numbers, charts, estimates, projections, assumptions or expressions of opinion included therein, and information relating to The Depository Trust Company and its book-entry system, as to which Attorneys need express no view) as of the date of the Official Statement or the date of the closing for the Bonds contain any untrue statement of a material fact or omits to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(b) *Services Not Provided.* Attorneys shall not be responsible for: (i) any continuing disclosure requirements under federal securities laws that may apply to the Bonds during the period following the closing of the Bonds, or (ii) the representation of the District in connection with any litigation involving the Bonds, except for the validation proceedings specified above. Without limiting the generality of the foregoing, Attorneys shall not be responsible for preparing any documentation related to, or for providing any, ongoing continuing disclosure or litigation services in respect of the Bonds without a separate agreement between the District and Attorneys. In addition, unless specifically retained to do so by a separate agreement between Attorneys and the District, Attorneys shall not be responsible for auditing or otherwise reviewing or assuring compliance by the District with any past or existing continuing disclosure obligations of the District related to any debt obligations.

Section 2. Compensation.

(a) For the services set forth under Section 1(a) above Attorneys shall be paid a fee, applied to the aggregate principal amount of the Bonds issued, equal to the sum of: (i) one percent (1%) of the first \$1 million principal amount of the Bonds, plus (ii) one-half percent (1/2%) of the next \$5 million principal amount of the Bonds, plus (iii) one-quarter percent (1/4) of the next \$15 million principal amount of the Bonds, plus (iv) one-eighth percent (1/8%) of the remaining principal amount of the Bonds, inclusive of all out of pocket expenses. Assuming a principal amount of \$20,000,000, the bond counsel fee would be \$70,000. Assuming a principal amount of \$30,000,000, the bond counsel fee would be \$83,750.

(b) For the services set forth under Section 1(b) above, Attorneys shall be paid a legal fee \$30,000.00, inclusive of all out of pocket expenses.

Said legal fee shall be inclusive of all out of pocket expenses of Attorneys. *Payment of said fees and expenses shall be entirely contingent,* shall be due and payable upon the issuance of the Bonds and shall be payable solely from the proceeds of the Bonds.

Section 3. Responsibilities of the District. The District shall cooperate with Attorneys and shall furnish Attorneys with certified copies of all proceedings taken by the District, or other deemed necessary by Attorneys to render an opinion upon the validity of such proceedings. All costs and expenses incurred incidental to the actual issuance and delivery of Bonds, including the cost and expense of preparing certified copies of proceedings required by Attorneys in connection with the issuance of the Bonds, the cost of preparing the Bonds for execution and delivery, all printing costs and publication costs, and any other expenses incurred in connection with the issuance of Bonds, shall be paid from Bond proceeds.

Section 4. Non-Legal Services. In performing their services as bond counsel pursuant to this Agreement for Legal Services, it is understood and acknowledged by the District that Attorneys will not be providing financial advisory, placement agent, investment banking or other similar services. It is expected that the District will engage other consultants to provide any such services with respect to the financing.

Section 5. Termination of Agreement. This Agreement for Legal Services shall terminate at the time of issuance of the Bonds but may be terminated at any earlier time by the District, with or without cause, following thirty (30) days written notice by the District to Attorneys. In the event of such termination, all finished and unfinished documents shall, at the option of the District, become its property and shall be delivered by Attorneys.

Section 6. Amendment or Modification. No amendment, modification, or other alteration of this Agreement shall be valid unless in writing and signed by both of the parties hereto.

Section 7. Entire Agreement. This Agreement contains the entire agreement of the parties hereto. No other agreement, statement, or promise made on or before the effective date of this Agreement will be binding on the parties hereto.

IN WITNESS WHEREOF, the District and Attorneys have executed this Agreement for Legal Services as of the date first above written.

TULARE LOCAL HEALTH CARE
DISTRICT

By _____
Name _____
Title _____

QUINT & THIMMIG LLP

By  _____
Brian D. Quint