

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

**Posted**

**BOARD OF DIRECTORS**

**Mailed (US & E-mail)**

**NOTICE OF & MEETING AGENDA FOR  
SPECIAL BOARD MEETING**

**Faxed**

**11-17-2006**

Pomerado Hospital, Cafe Conference Room  
15615 Pomerado Road  
Poway, California

**Monday, November 20, 2006  
2:00 P.M.**

	<u>Time</u>	<u>Page</u>	<u>Target</u>
<b>I. CALL TO ORDER and ROLL CALL</b> .....	5	.....	2:00P
<b>II. PUBLIC COMMENTS</b> .....	5	.....	2:05 P
<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 notices, available in the meeting room)</i>			
<b>III. * APPROVAL OF MINUTES – July 11, 2006</b> .....	5	.....2-3	2:10 P
<b>IV. INFORMATION ITEM(S)</b> Distribution of Conformed Copies of the Bylaws as Amended at the July 11, 2006, Meeting	5	.....4-9	2:15 P
<b>V. DISCUSSION AGENDA</b>			
A. *Election of Chair of the North San Diego County Health Facilities Financing Authority (The "Authority").....			
B. *Election of Vice-Chair of The Authority .....	10	.....	2:20 P
C. *Election of the Treasurer/Controller of The Authority.....			
D. *Appointment of the Secretary of The Authority .....			
E. *Establishment of the Time and Place for Regular Meetings of the Board of Directors of The Authority .....	5	.....	2:30 P
F. *Adoption of Resolution No. 11-01 Confirming Election of Chair, Vice-Chair and Treasurer/Controller of The Authority; Appointment of the Secretary of The Authority; and Establishment of the Time and Place for Regular Meetings of the Board of Directors of The Authority .....	5	...10-12	2:35 P
G. *Adoption of Resolution No. 11-02 Authorizing Participation in a Certificate of Participation Financing for the Benefit of Palomar Pomerado Health, Including the Execution and Delivery of Not To Exceed \$180 Million Aggregate Principal Amount of Certificates of Participation Evidencing Proportionate Undivided Interests in Installment Payments to be Made by Palomar Pomerado Health Pursuant to an Installment Sale Agreement Between the North San Diego County Health Facilities Financing Authority and Palomar Pomerado Health, Approving the Form of, and Authorizing the Execution and Delivery of, the Documents and Agreements Required in Connection Therewith, Including Such Installment Sale Agreement, a Purchase Agreement, a Trust Agreement and a Certificate Purchase Agreement Relating to Said Certificates of Participation, and Authorizing the Taking of Certain Other Actions in Connection Therewith.....	25	...13-18	3:00 P
<b>VI. FINAL ADJOURNMENT</b> .....			3:00 P

**NEXT MEETING: Monday, May 7, 2007**

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

Distribution:

Michael Covert, FACHE, Chair  
Art Gonzalez, PhD, Vice-Chair

Bob Hemker, Treasurer  
Robert Wardwell, Member  
Tanya Howell, Secretary

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

**Meeting Minutes**  
**July 11, 2006**

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

**MEETING DATE:** Monday, November 20, 2006

**FROM:** Tanya Howell, Secretary

**Background:** The minutes of the North San Diego County Health Facilities Financing Authority Board of Directors meeting held on Tuesday, July 11, 2006, are respectfully submitted for approval.

**Motion:** X

**Individual Action:**

**Information:**

**NORTH SAN DIEGO COUNTY HEALTH FACILITIES FINANCING AUTHORITY  
BOARD OF DIRECTORS MEETING**

Palomar Medical Center, 555 East Valley Parkway, Escondido, California  
Administrative Conference Room 1  
Tuesday, July 11, 2006, Meeting Minutes

AGENDA ITEM	DISCUSSION	CONCLUSION/ACTION		FOLLOW UP
<b>MEETING CALLED TO ORDER</b>	4:11 p.m. by Michael Covert, Chair			
<b>ROLL CALL</b>	The roll was called by Secretary Tanya Howell.			
<b>ATTENDANCE</b>	Board Members: Arthur A. Gonzalez, Ph.D., Robert Wardwell, Robert A. Hemker, Michael H. Covert, FACHE, and Tanya Howell			
<b>NOTICE OF MEETING</b>	The notice of meeting was mailed on Friday, July 7, 2006, which is consistent with legal requirements.			
<b>PUBLIC COMMENTS</b>	There were no public comments.			
<b>MINUTES MAY 27, 2005</b>	No discussion.	<b>MOTION:</b> By Robert Wardwell, seconded by Arthur G. Gonzalez and carried to approve the minutes from the May 27, 2005, meeting.		
<b>DISCUSSION AGENDA A. PROPOSED AMENDMENT TO §5.7 OF THE BYLAWS</b>	Proposed that <b>Section 5.7. Order of Business</b> be reordered to allow Public Comments to appear at the beginning of meetings. No discussion.	<b>MOTION:</b> By Arthur G. Gonzalez, seconded by Bob Hemker and carried by unanimous vote to amend <b>Section 5.7. Order of Business</b> as recommended.		
<b>INFORMATION ITEM(S) FALL 2006 PPH ISSUANCE OF REVENUE BONDS &amp; ROLE OF JPA</b>	<p><i>This item was postponed until the end of the meeting.</i></p> <ul style="list-style-type: none"> <li>• PPH proposes to issue Revenue Bonds in the Fall of 2006 <ul style="list-style-type: none"> <li>o The financing will include Revenue Bonds <ul style="list-style-type: none"> <li>♦ Bonds are slated for pricing October 24, 2006, with an anticipated revenue total of \$150 million</li> </ul> </li> <li>o Assistance of the JPA is required for the installment sale/repurchase agreement, as previously provided during the issuance of General Obligation Bonds by PPH <ul style="list-style-type: none"> <li>♦ If the Offering Statement (OS) went to the PPH Board at its October 9, 2006, meeting, a Special Meeting of the JPA would need to be held on October 10<sup>th</sup> or 11<sup>th</sup></li> </ul> </li> </ul> </li> </ul>	<b>Information Only</b>	Secretary Tanya Howell is to coordinate a time and date for the special JPA meeting with staff in Administration at Tri-City Medical Center, with posting pursuant to Brown Act regulations.	
<b>ADJOURNMENT</b>	There being no further business, the meeting was adjourned at 4:26 p.m.			
<b>SIGNATURES:</b>	<ul style="list-style-type: none"> <li>• <b>CHAIRMAN</b> _____ Michael H. Covert</li> <li>• <b>SECRETARY</b> _____ Tanya Howell</li> </ul>			

**AMENDED AND RESTATED  
BYLAWS OF THE  
NORTH SAN DIEGO COUNTY  
HEALTH FACILITIES FINANCING AUTHORITY**

*Adopted May 27, 2005*

*Amended July 11, 2006*

**ARTICLE I**  
**DEFINITIONS**

**Section 1.1 Definitions.** All capitalized terms used but not otherwise defined herein shall have the respective meanings assigned to such terms in the Joint Exercise of Powers Agreement, dated May 27, 2005 (as supplemented and amended from time to time pursuant to its terms, the "JPA Agreement"), between Palomar Pomerado Health, a local health care district duly organized and existing under the laws of the State of California ("Palomar Pomerado Health"), and Tri-City Healthcare District, a local health care district duly organized and existing under the laws of the State of California, creating the North San Diego County Health Facilities Financing Authority (the "Authority").

**ARTICLE II**  
**THE AUTHORITY**

**Section 2.1 Name.** The official name of the Authority shall be the "North San Diego County Health Facilities Financing Authority."

**Section 2.2. Governing Board.** The Authority shall be administered by a board of directors (the "Board") comprised as provided in Section 4 B. of the JPA Agreement.

**Section 2.3. Office.** The business office of the Authority shall be at 15255 Innovation Drive, Suite 204, San Diego, California 92128, or at such other place as may be designated by resolution of the Board.

**ARTICLE III**  
**OFFICERS**

**Section 3.1. Officers.** As provided in Section 4 D. of the JPA Agreement, the officers of the Authority shall be the Chair, Vice- Chair, Secretary and Treasurer/Controller.

**Section 3.2. Chair.** The Chair of the Authority shall be elected by the Board. The term of office of the Chair shall be from the date of his or her election as Chair through the date of the first regular meeting of the Authority in the next succeeding calendar year; provided that he or she shall serve until a successor has been duly elected. The Chair shall preside at all meetings of the Authority and shall submit such information and recommendations to the Board as he or she may consider proper concerning the business, policies and affairs of the Authority. Pursuant to Section 4 B. of the JPA Agreement, the Chair may designate a designee to act in place of and during the absence or incapacity of the Chair, such designation to be provided by written notice delivered to the Secretary of the Authority.

**Section 3.3. Vice-Chair.** The Vice-Chair shall be elected by the Board. The term of office of the Vice-Chair shall be from the date of his or her election as Vice-Chair through the date of the first regular meeting of the Authority in the next succeeding calendar year; provided that he or she shall serve until a successor has been duly elected. If the Chair shall not have designated a designee to act during the absence or incapacity of the Chair, the

Vice-Chair shall perform the duties of the Chair in the absence or incapacity of the Chair. In case of the resignation or death of the Chair, the Vice-Chair shall perform such duties as are imposed on the Chair, until such time as the members of the Board shall elect a new Chair. Pursuant to Section 4 B. of the JPA Agreement, the Vice-Chair may designate a designee to act in place of and during the absence or incapacity of the Vice-Chair, such designation to be provided by written notice delivered to the Secretary of the Authority.

**Section 3.4. Secretary.** The Secretary shall be appointed by the Board, and may, but need not, be a member of the Board. The term of office of the Secretary shall be from the date of his or her appointment as Secretary through the date of the first regular meeting of the Authority in the next succeeding calendar year; provided that he or she shall serve until a successor has been duly appointed. The Secretary shall keep the records of the Authority, shall act as Secretary at the meetings of the Authority and record all votes, and shall keep a record of the proceedings of the Authority in a journal of proceedings to be kept for such purpose, and shall perform all duties incident to the office.

**Section 3.5. Treasurer/Controller.** Pursuant to Section 4 D. of the JPA Agreement, the chief financial officer of Palomar Pomerado Health shall serve as the initial Treasurer/Controller of the Authority. The term of office of the initial Treasurer/Controller shall be from the first regular meeting of the Authority through the date of the first regular meeting of the Authority in the next succeeding calendar year; provided that he or she shall serve until a successor has been duly elected. The Treasurer/Controller shall perform the duties set forth in the JPA Agreement. Except as otherwise authorized by resolution of the Board, the Treasurer/Controller shall sign all contracts, deeds, leases and other instruments executed by the Authority.

**Section 3.6. Election and Appointment of Officers.** Election and appointment of officers as provided pursuant to these bylaws shall be the first order of business at the first regular or special meeting of the Authority held in each calendar year; provided that failure to elect any or all officers or to appoint or reappoint any officer at such meeting shall not affect the title to office of any officer duly elected and holding office as of such meeting or the title to office of any officer duly appointed and holding office as of such meeting.

**Section 3.7. Authority to Bind Authority.** No member of the Board, officer, agent or employee of the Authority, without prior specific or general authority by a vote of the Board, shall have any power or authority to bind the Authority by any contract, to pledge the credit of the Authority, or to render the Authority liable for any purpose in any amount.

## ARTICLE IV

### EMPLOYEES AND AGENTS

**Section 4.1. Appointment of Employees and Agents.** The Authority may from time to time request from any Member the services of such personnel, counsel or agents, permanent or temporary, as may be necessary to carry out the business and affairs of the Authority. The Board may in addition employ temporary professional and technical personnel on such terms and at such rates of compensation as the Board may determine, for the

performance of Authority business and affairs, provided that adequate sources of funds are identified for the payment of such temporary professional and technical services.

## **ARTICLE V MEETINGS**

**Section 5.1. Meetings of the Board.** Meetings of the Board shall be held in accordance with the provisions set forth in Section 4 C. of the JPA Agreement.

**Section 5.2. Closed Sessions.** Nothing contained in these bylaws shall be construed to prevent the Board from holding closed sessions during a regular or special meeting concerning any matter permitted by law to be considered in a closed session.

**Section 5.3. Public Hearings.** All public hearings held by the Board shall be held during regular or special meetings of the Board.

**Section 5.4. Adjourning Meetings and Continuing Public Hearings to Other Times or Places.** The Board may adjourn any meeting to a time and place specified in the order of adjournment. Less than a quorum may so adjourn from time to time. If all Board members are absent from any regular meeting or adjourned regular meeting the Secretary of the Authority may declare the meeting adjourned to a stated time and place and shall cause a written notice of the adjournment to be given in the same manner as provided for special meetings unless such notice is waived as provided for special meetings. A copy of the order or notice of adjournment shall be conspicuously posted on or near the door of the place where the meeting was held within 24 hours after the time of the adjournment. When a regular or adjourned regular meeting is adjourned as provided in this Section, the resulting adjourned regular meeting is a regular meeting for all purposes. When an order of adjournment of any meeting fails to state the hour at which the adjourned meeting is to be held, it shall be held at the hour specified for regular meetings.

Any public hearing being held, or any hearing noticed or ordered to be held at any meeting may by order or notice of continuance be continued or recontinued to any subsequent meeting in the same manner and to the same extent set forth herein for the adjournment of the meetings; provided, that if the hearing is continued to a time less than 24 hours after the time specified in the order or notice of hearing a copy of the order or notice of continuance shall be posted immediately following the meeting at which the order or notice of continuance was adopted or made.

**Section 5.5. Meetings to be Open and Public.** All meetings of the Board to take action or to deliberate concerning Authority business and its conduct shall be open and public. All persons shall be permitted to attend any such meetings except as otherwise provided or permitted by law and Section 5.2 of these bylaws.

**Section 5.6. Quorum and Manner of Action.** All members of the Board shall constitute a quorum for the purpose of conducting business and exercising the powers of the Authority and for all other official purposes, except that less than a quorum may adjourn from

time to time until a quorum is obtained. No action may be taken by the Board except upon the affirmative vote of a majority of the members of the Board.

**Section 5.7. Order of Business.** At the regular meetings of the Authority, subject to such modification as shall be acceptable to a majority of the members of the Board, the following shall be the general order of business:

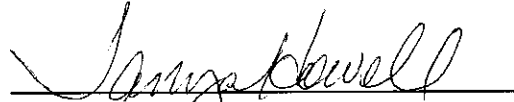
1. Call to Order and Roll Call
2. Public Comments
3. Approval of Minutes
4. Information Items
5. Discussion Agenda
6. Adjournment

**Section 5.8. Parliamentary Procedure.** The rules of parliamentary procedure set forth in Robert's Rules of Order shall govern all meetings of the Authority, except as otherwise herein provided.

## **ARTICLE VI AMENDMENTS**

**Section 6.1. Amendments to Bylaws.** These bylaws may be amended by the Board at any regular or special meeting by majority vote, provided that a description of the proposed amendment to any particular section is included in the notice of such meeting.

I hereby certify that the foregoing is a full, true and correct copy of the Bylaws duly adopted by the North San Diego County Health Facilities Financing Authority on the 27<sup>th</sup> day of May, 2005, as amended on the 11<sup>th</sup> day of July, 2006.

  
\_\_\_\_\_  
Tanya Howell, Secretary

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

**Resolution No. 11-01**

A RESOLUTION ELECTING A CHAIR, A VICE-CHAIR AND A TREASURER/CONTROLLER OF THE NORTH SAN DIEGO COUNTY HEALTH FACILITIES FINANCING AUTHORITY; APPOINTING A SECRETARY OF SAID AUTHORITY; AND SETTING THE DATE, TIME AND PLACE FOR REGULAR MEETINGS OF THE BOARD OF DIRECTORS OF SAID AUTHORITY.

**WHEREAS**, Palomar Pomerado Health, a local health care district duly organized and existing under the laws of the State of California ("PPH") and Tri-City Healthcare District, a local health care 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 establishes and creates the North San Diego County Health Facilities Financing Authority (the "Authority");

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

**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 4 D. (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 \_\_\_\_\_ is hereby appointed Secretary of the Authority.

**Section 2.** Regular meetings of the Board shall be held at 555 E. Valley Parkway, Escondido, California 92025; 15615 Pomerado Road, Poway, California 92064; 4002 Vista Way, Oceanside, California 92056; 15255 Innovation Drive, San Diego, California 92128; or such other location 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. The annual regular meeting of the Board to be held each year pursuant to Section 4 C. (2) of the JPA Agreement shall be held at 11:45 a.m. on the first Monday of May of each year, 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 Authority, 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 20th day of November, 2006.

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

By: \_\_\_\_\_  
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 November 20, 2006, by the following vote of the members thereof:

AYES:

NOES:

ABSENT:

ABSTENTIONS:

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Tanya Howell, Secretary

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

**Resolution No. 11-02**

A RESOLUTION AUTHORIZING PARTICIPATION IN A CERTIFICATE OF PARTICIPATION FINANCING FOR THE BENEFIT OF PALOMAR POMERADO HEALTH, INCLUDING THE EXECUTION AND DELIVERY OF NOT TO EXCEED \$180 MILLION AGGREGATE PRINCIPAL AMOUNT OF CERTIFICATES OF PARTICIPATION EVIDENCING PROPORTIONATE UNDIVIDED INTERESTS IN INSTALLMENT PAYMENTS TO BE MADE BY PALOMAR POMERADO HEALTH PURSUANT TO AN INSTALLMENT SALE AGREEMENT BETWEEN THE NORTH SAN DIEGO COUNTY HEALTH FACILITIES FINANCING AUTHORITY AND PALOMAR POMERADO HEALTH, APPROVING THE FORM OF, AND AUTHORIZING THE EXECUTION AND DELIVERY OF, THE DOCUMENTS AND AGREEMENTS REQUIRED IN CONNECTION THEREWITH, INCLUDING SUCH INSTALLMENT SALE AGREEMENT, A PURCHASE AGREEMENT, A TRUST AGREEMENT AND A CERTIFICATE PURCHASE AGREEMENT RELATING TO SAID CERTIFICATES OF PARTICIPATION, AND AUTHORIZING THE TAKING OF CERTAIN OTHER ACTIONS IN CONNECTION THEREWITH.

**WHEREAS**, pursuant to the provisions of the Joint Exercise of Powers Act, comprising Articles 1, 2, 3 and 4 of Chapter 5 of Division 7 of Title 1 (commencing with Section 6500) of the Government Code of the State of California (the "Act"), Palomar Pomerado Health, a local health care district duly organized and existing under the laws of the State of California ("PPH") and Tri-City Healthcare District, a local health care district duly organized and existing under the laws of the State of California, entered into that certain Joint Exercise of Powers Agreement, dated May 27, 2005 (the "Agreement"), pursuant to which the North San Diego County Health Facilities Financing Authority (the "Authority") was established and created;

**WHEREAS**, pursuant to the provisions of the Act and the Agreement, the Authority is authorized to acquire, hold or dispose of property;

**WHEREAS**, PPH proposes (i) to finance, or reimburse itself for its prior payment of, the costs of certain capital projects identified in a master plan (the "Facilities Master Plan") previously adopted by the Board of Directors of PPH and (ii) to refund the Palomar Pomerado Health System Insured Revenue Bonds, Series 1993 (the "Series 1993 Bonds") previously issued by PPH to finance and/or refinance the costs of certain other capital projects;

**WHEREAS**, PPH is requesting the assistance of the Authority to facilitate such financing or reimbursement and such refunding (hereinafter collectively referred to as the "PPH Financing");

**WHEREAS**, in order to facilitate the PPH Financing, PPH proposes to enter into a Purchase Agreement (the "Purchase Agreement"), with the Authority, pursuant to which PPH will convey certain real property (the "Real Property") to the Authority;

**WHEREAS**, in order to facilitate the PPH Financing, PPH proposes to enter into an Installment Sale Agreement (the "Sale Agreement"), with the Authority, pursuant to which the Authority will convey the Real Property back to PPH;

**WHEREAS**, pursuant to a Trust Agreement (the "Trust Agreement"), between the Authority and U. S. Bank National Association ("U. S. Bank"), as trustee (the "Trustee"), the Trustee will execute and deliver certain certificates of participation (the "Certificates"), each evidencing a proportionate interest in installment payments (the "Installment Payments") to be made by PPH under the Sale Agreement, which Installment Payments shall be in an aggregate amount equal to the aggregate principal amount of the Certificates so executed and delivered;

**WHEREAS**, the rights to receive the Installment Payments to be made by PPH under the Sale Agreement will be assigned to the Trustee for the benefit of the registered holders of the Certificates, all in accordance with the provisions set forth in the Trust Agreement;

**WHEREAS**, pursuant to a Certificate Purchase Agreement (the "Certificate Purchase Agreement"), to be executed by Citigroup Global Markets Inc., as underwriter (the "Underwriter"), and to be agreed to and accepted by PPH and the Authority, the Certificates will be sold to the Underwriter, and the proceeds of such sale will be used as set forth in the Trust Agreement to finance certain capital costs of the Facilities Master Plan, to refund the Series 1993 Bonds, to fund capitalized interest for a period not expected to exceed May 1, 2010, and to pay certain costs of delivery incurred in connection with the execution and delivery of the Certificates;

**WHEREAS**, PPH has caused to be prepared and presented to this meeting the proposed forms of the following agreements and documents:

- (1) the Purchase Agreement;
- (2) the Sale Agreement;
- (3) the Trust Agreement;
- (4) the Certificate Purchase Agreement; and
- (5) an Official Statement (the "Official Statement"), to be used by the Underwriter in connection with the offering and sale of the Certificates;

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

**Section 1. Authorization of Execution and Delivery of Certificates.** The execution and delivery of not exceed one hundred eighty million dollars (\$180,000,000) in

aggregate principal amount of Certificates in one or more series is hereby authorized and approved. The Certificates shall be executed and delivered and secured in accordance with the terms of, and shall be in the form set forth in, the Trust Agreement as finally executed and delivered.

**Section 2. Purchase Agreement.** The proposed form of Purchase Agreement presented to this meeting is hereby approved; provided that the purchase price specified in Section 2.2 thereof shall not exceed one hundred eighty million dollars (\$180,000,000). The Chair of the Authority, the Vice-Chair of the Authority or the Treasurer/Controller of the Authority (each, an "Authorized Officer"), acting singly, are hereby authorized and directed, for and on behalf of the Authority, to execute and deliver the Purchase Agreement in substantially said form, with such changes and insertions therein as such Authorized Officer, with the advice of counsel to the Authority, may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

**Section 3. Sale Agreement.** The proposed form of Sale Agreement presented to this meeting is hereby approved. Each Authorized Officer is hereby authorized and directed, for and on behalf of the Authority, to execute and deliver the Purchase Agreement in substantially said form, with such changes and insertions therein as such Authorized Officer, with the advice of counsel to the Authority, may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

**Section 4. Trust Agreement.** The proposed form of Trust Agreement presented to this meeting is hereby approved. Each Authorized Officer is hereby authorized and directed, for and on behalf of the Authority, to execute and deliver the Trust Agreement in substantially said form, with such changes and insertions therein as such Authorized Officer, with the advice of counsel to the Authority, may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof. The payment dates, method of determining the interest components, terms of prepayment, tender provisions and other terms of the Certificates shall be as provided in the Trust Agreement, as finally executed.

**Section 5. Certificate Purchase Agreement.** The proposed form of Certificate Purchase Agreement presented to this meeting is hereby approved. Each Authorized Officer is hereby authorized and directed to execute and deliver a Certificate Purchase Agreement in substantially said form, with such changes therein as the officer executing the same, with the advice of Authority Counsel, may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof, which Certificate Purchase Agreement shall provide for the sale of the Certificates to the Underwriter at the purchase price set forth in the Certificate Purchase Agreement as finally executed, which purchase price shall be approved by PPH, less such Underwriter's discount as shall be approved by PPH.

**Section 6. Additional Actions.** Each Authorized Officer, the Secretary of the Authority and other appropriate agents of the Authority are hereby authorized and directed, for and in the name and on behalf of the Authority, (i) to do any and all things and to execute and deliver any and all documents, instruments and certificates, including, without limitation, any certificate required to be delivered pursuant to the Certificate Purchase Agreement, any

certificate concerning the information regarding the Authority set forth in the Official Statement, and any tax certificate and agreement, and to do any and all things and take any and all actions which may be necessary or advisable, in their discretion, to effectuate the actions which the Authority has authorized pursuant to this Resolution, to consummate the transactions contemplated by the documents approved hereby and to comply with the terms of all such documents.

**Section 7. Subsequent Actions.** All approvals, consents, directions, notices, orders, requests, waivers and other actions, including, without limitation, the delivery of certificates, permitted or required by any of the documents authorized by this Resolution, including any of the foregoing which may be necessary or desirable in connection with (i) the amendment of such documents or the tax certificate and agreement or (ii) any prepayment of the Certificates, may be taken by any Authorized Officer without further authorization by the Board of Directors of the Authority, and each Authorized Officer is hereby authorized and directed to give or deliver any such approval, consent, direction, notice, order, request or waiver and to take any such other action which such Authorized Officer, with the advice of counsel to the Authority, may deem necessary or desirable to further the purposes of this Resolution.

**Section 8. Ratification of Actions.** All actions heretofore taken by the officers and agents of the Authority with respect to the PPH Financing, including, without limitation, all actions taken in connection with the execution, sale and delivery of the Certificates are hereby ratified, confirmed and approved.

**Section 9.** Notwithstanding anything to the contrary in this Resolution, no documents referenced in this Resolution may be executed and delivered by the Authority until the Board of Directors of PPH shall have held the requisite public hearing pursuant to Section 147(f) of the Internal Revenue Code of 1986 (the "Code"), shall have approved the PPH Financing and the execution and delivery of the Certificates evidencing the Installment Payments for purposes of Section 147(f) of the Code and shall have authorized the execution and delivery of all agreements, documents and instruments to be executed and delivered and/or approved by PPH in connection therewith.

**Section 10. Effective Date.** 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 20th day of November, 2006.

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

By: \_\_\_\_\_  
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 November 20, 2006, by the following vote of the members thereof:

AYES:

NOES:

ABSENT:

ABSTENTIONS:

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Tanya Howell, Secretary