



AGENDA
CITY OF EL CENTRO
FINANCING AUTHORITY
MARCH 20, 2018

City Hall	Regular Meeting	6:00 PM
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CITY HALL
COUNCIL CHAMBERS
1275 MAIN STREET
EL CENTRO, CA 92243

Financing Authority Members may be reached at (760) 336-8989

Chairperson:	Cheryl Viegas-Walker	Executive Director: Marcela Piedra
Vice Chairperson:	Edgard Garcia	City Attorney: Elizabeth Martyn Evans
Agency Members:	Efrain Silva	Secretary: L. Diane Caldwell
	Jason Jackson	
	Alex Cardenas	

This is a Public Meeting. If there is an item on the Agenda on which you wish to be heard, you are asked to complete a blue speaker slip and submit it to the Secretary prior to the start of the meeting. **Persons wishing to address the Financing Authority are not required to identify themselves (Government Code §54953.3); however, this information assists the Chairperson by ensuring that all persons wishing to address the Agency are recognized and also assists the Secretary in preparing the Financing Authority meeting minutes.** When the item is announced and your name is called, please step to the podium and state your name for the record. Unless the Chairperson extends the time, there is a three (3) minute time limit for each public presentation. If you wish to address the Financing Authority, concerning any other matter not appearing on the agenda, you may do so during the public comment portion of the agenda.

6:00 P.M. OPEN SESSION

ALL TIMES ARE APPROXIMATE AND MAY VARY

CALL TO ORDER:

ROLL CALL BY CITY CLERK

PLEDGE OF ALLEGIANCE

INVOCATION

CONSENT AGENDA

Consent agenda items are approved by one motion. Council members or members of the public may pull consent items to be considered separately at a time determined by the Mayor.

1. Approval of Financing Authority Minutes for regular meetings of July 18, 2017 and December 5, 2017.
2. Second Amendment to Installment Purchase Agreement

PUBLIC COMMENTS

*The City Council welcomes your input. At this time, members of the public may address the City Council on any matter not listed on the posted agenda. Pursuant to the Brown Act, no action will be taken on any issue brought forth under Public Comments. We ask that you please complete a "Speaker Slip" and submit it to the City Clerk prior to the start of the meeting. Although you are not required to identify yourself (Gov't Code §54953.3); this information on the "Speaker Slip" assists the Mayor that all persons wishing to address the Council are recognized and also assists the City Clerk in preparing the City Council meeting minutes. Unless the Mayor extends the time, there is a three (3) minute time limit for each public presentation. * Any information provided on the "Speaker Slip" is voluntary and will be public record.*

ADJOURNMENT



**SCHEDULED
ACTION ITEM (ID # 2668)**

**Approval of Financing Authority Minutes for regular meetings
of July 18, 2017 and December 5, 2017.**

EXECUTIVE DIRECTOR'S RECOMMENDATION:

Approval of Financing Authority Minutes for regular meetings of July 18, 2017 and December 5, 2017.

ATTACHMENTS:

- FA 2017 07-18(PDF)
- FA 2017 12-05(PDF)

Book 1
Page FA-14

**REGULAR MEETING
FINANCING AUTHORITY
CITY OF EL CENTRO, CALIFORNIA
TUESDAY, JULY 18, 2017**

The Financing Authority of the City of El Centro met in regular session on July 18, 2017 at 8:29 p.m.

PRESENT: Jackson, Silva, Cardenas, Viegas-Walker, Garcia
Secretary Caldwell, Deputy Executive Dir. Piedra, Attorney Martyn Evans;
ABSENT: None

CONSENT AGENDA

Moved by Viegas-Walker, second by Garcia, approval of the consent agenda as presented:

1. Approval of Financing Authority Minutes of December 18, 2012, November 18, 2014, and March 3, 2015.
2. Approval of Forbearance Agreement and Release with Key Government Finance, Inc., Comerica Bank, the El Centro Regional Medical Center, El Centro Financing Authority, and MUFJ Union Bank, N.A. (the bond Trustee).

AYES: Jackson, Silva, Cardenas, Viegas-Walker, Garcia
NOES: None
ABSENT: None
ABSTAINED: None

PUBLIC COMMENTS

None

ADJOURNMENT

Being no further business, the meeting was adjourned at 8:30 p.m. (Reconvened as City Council)

L. Diane Caldwell, Secretary

APPROVED BY

Alex Cardenas, Chairperson

Attachment: FA 2017 07-18 (2668 : Financing Authority Minutes)

**REGULAR MEETING
FINANCING AUTHORITY
CITY OF EL CENTRO, CALIFORNIA
TUESDAY, DECEMBER 5, 2017 6:00 P.M.**

The Financing Authority of the City of El Centro met in regular session on December 5, 2017 at 7:45 p.m.

PRESENT: Cardenas, Jackson, Viegas-Walker, Garcia, Silva
Secretary Caldwell, Deputy Executive Dir. Piedra, Attorney Martyn Evans;
ABSENT: None

CONSENT AGENDA

Moved by Cardenas, second by Jackson, approval of the consent agenda as presented:

1. Approval of the Financing Authority Minutes of September 19, 2017 and November 21, 2017.
2. Approval of the Amendment to the Installment Purchase Agreement with Key Government Finance, Inc. Comerica Bank, the El Centro Regional Medical Center, El Centro Financing Authority, and MUFG Union Bank, N.A. (the bond Trustee).

AYES: Cardenas, Jackson, Viegas-Walker, Garcia, Silva
NOES: None
ABSENT: None
ABSTAINED: None

PUBLIC COMMENTS

None

ADJOURNMENT

Being no further business, the meeting was adjourned at 7:46 p.m.

L. Diane Caldwell, Secretary

APPROVED BY

Cheryl Viegas-Walker, Chairperson



**SCHEDULED
ACTION ITEM (ID # 2662)**

Second Amendment to Installment Purchase Agreement

EXECUTIVE DIRECTOR'S RECOMMENDATION:

Approval of a Second Amendment to the Installment Purchase Agreement between El Centro Regional Medical Center and the City of El Centro Financing Authority

FISCAL IMPACT

No fiscal impact to the City's General Fund

STRATEGIC PLANNING PROGRAM 2013-2018 RELATION:

N/A

DUE DILIGENCE CHECK FOR CONTRACTORS/CONSULTANTS: DID THE DEPARTMENT VERIFY CURRENT EL CENTRO BUSINESS LICENSE, CONTRACTORS LICENSE, REFERENCE CHECKS, INSURANCE, ETC:

N/A

DISCUSSION

The El Centro Financing Authority issued \$50 million in Hospital Revenue Refunding bonds in 2015 (the "2015 Bonds"). The 2015 bonds contained restrictive covenants, including a requirement in the Installment Purchase Agreement that the Hospital must satisfy a debt service coverage ratio of 1.35 to 1.00. At the December 5, 2017 meeting, the City Council approved an Amendment to the Installment Purchase Agreement that removed the debt service coverage ratio and replaced it with other financial requirements, including the Hospital retaining a minimum level of cash and maintaining certain EBITDA (Earnings Before Interest Taxes Depreciation and Amortization) levels. The December 5, 2017 Amendment to the Installment Purchase Agreement also targeted milestone dates for refinancing the 2015 Bonds, including a signed construction agreement by February 28, 2018 and a closing on the new bond issuance by April 30, 2018.

The Hospital and the City Financing Authority have negotiated a Second Amendment to the Installment Purchase Agreement (the "Second Amendment") which is being presented to the City Council for Approval. The purpose of the Second Amendment is to adjust some of the interim milestone dates. For example, the deadline for the signed construction contract is April 2, 2018 instead of February 28, 2018 and the approval by the City Council for the issuance of a new bond issuance is April 4, 2018 instead of

March 16, 2018. The closing date of April 30, 2018 remains the same. No changes are made to the financial covenants that were adjusted in the December 5, 2017 Amendment. The Hospital issued the Invitation to Bid on January 26, 2018 and is receiving bids on March 19, 2018. The Invitation to Bid document contains a 5-business day protest period.

On March 13, 2018, Dr. Edward, Chief Executive Officer of ECRMC, approved and executed the Second Amendment. The Trustee of the 2015 Bonds has also executed the Second Amendment.

CONCLUSION

Discussion and any necessary action regarding the approval of said installment purchase agreement .

ATTACHMENTS:

- 2nd Amendment to IPA (PDF)

SECOND AMENDMENT TO INSTALLMENT PURCHASE AGREEMENT

This SECOND AMENDMENT TO INSTALLMENT PURCHASE AGREEMENT (this “**Amendment**”) is made this 13th day of March, 2018 and is entered into by and among the City of El Centro (the “**City**”), El Centro Regional Medical Center, an agency of the City (the “**Medical Center**”) and El Centro Financing Authority (the “**Authority**”). The above named parties to this Amendment are referred to herein individually as a “**Party**” and collectively as the “**Parties.**”

RECITALS

A. The Parties entered into an Installment Purchase Agreement dated as of March 1, 2015 (as previously amended, the “**Agreement**”). All capitalized terms not defined in this Amendment shall have the meanings described in the Agreement or the Trust Agreement dated as of March 1, 2015 (the “**Trust Agreement**”) between the Authority and MUFJ Union Bank, N.A., as Trustee (the “**Trustee**”).

B. The Parties, the Trustee and Owners entered into certain documents, instruments and agreements executed in connection with the financing arrangements among the Parties, Owners and the Trustee (collectively, the “**Bond Documents**”). All amounts due to Owners under the Bond Documents, whether now or in the future, contingent, fixed, primary and/or secondary, including, but not limited to, principal, interest, inside and outside counsel fees, audit fees, costs, expenses and any and all other charges provided for in the Bond Documents shall be known, in the aggregate, as the “**Liabilities.**”

C. The Parties have agreed to amend the Agreement as set forth below.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto agree as follows:

AGREEMENT

1. A new subsection (h) is added to Section 5.06 of the Agreement that reads as follows:

“(h) The Medical Center shall deliver to Owners within 30 days after and as of the end of each month (commencing with the month ending December 31, 2017), the Medical Center’s monthly balance sheets, cash flow statements, and income statements in form acceptable to Owners. The income statements shall be provided in two separate formats: (1) in the Medical Center’s historical format, and (2) in a format consistent with the Fiscal Year 2018 Huron adjusted budget.”

2. Section 5.17 of the Agreement is amended and restated to read as follows:

SECTION 5.17. Seismic Compliance. The Medical Center shall: (a) by no later than close of business PST March 19, 2018, provide emailed written notice to Owners that, subject to the applicable protest period set forth in the Invitation to Bid, it has obtained at least one qualified bid (a “**Qualified Bid**”) for construction of an ancillary services building that will bring the Medical Center into full seismic compliance with respect to

the year 2020 requirements (the “**Ancillary Services Building**”); (b) by no later than close of business PST on March 26, 2018, provide emailed written notice to Owners that the bid protest period has closed and there remains at least one Qualified Bid; and (c) by no later than close of business PST on April 2, 2018, provide via email to Owners an executed contract with a contractor containing the bid price for which the contractor commits to complete the construction of the Ancillary Services Building, that is acceptable in form and substance to Owners.

3. Section 5.18 of the Agreement is amended and restated in its entirety to read as follows:

SECTION 5.18. Refinancing Milestones. By no later than close of business PST on April 4, 2018, the Medical Center shall provide emailed written evidence to Owners that the Medical Center has obtained approval from the City Council of the City for bond documents required for a new series of bonds (the “**New Bond Issuance**”), the proceeds of which New Bond Issuance will be used, in part, to repay the Series 2015 Bonds. By no later than April 5, 2018, the Medical Center shall provide emailed written evidence to Owners that the preliminary official statement for the New Bond Issuance has been mailed to Accredited Investors or Qualified Institutional Buyers. By no later than April 16, 2018, the Medical Center shall provide via email to Owners a fully executed bond purchase agreement for the New Bond Issuance. By no later than April 30, 2018, the Medical Center shall close on the New Bond Issuance and pay the Series 2015 Bonds in full.

4. Section 8.01(c) of the Agreement is amended and restated to read as follows:

“(c) If the City or the Medical Center shall fail to observe or perform any covenant, condition, agreement or provision set forth in Sections 5.01, 5.03, 5.04, 5.05, 5.06(f), 5.06(g), 5.06(h), 5.07(a), 5.07(b), 5.07(c), 5.07(d), 5.07(e), 5.07(h), 5.08, 5.11, 5.13, 5.15, 5.17 or 5.18 of this Installment Purchase Agreement.”

5. The Medical Center represents and warrants to the Authority and Owners that it has obtained all necessary approvals from the California Office of Statewide Health Planning and Development (“OSHPD”) with respect to seismic compliance issues relating to the construction of the Ancillary Services Building and that no further approvals from OSHPD are required with respect to the year 2020 seismic compliance issues.

6. The Medical Center shall continue to engage Huron or another financial consultant that is acceptable to Owners with a scope of engagement that is acceptable to Owners. Owners confirm that the scope of Huron’s engagement set forth in the February 23, 2018 amendment to Huron’s engagement letter is acceptable to Owners.

7. This Amendment shall be effective only when (a) it has been executed by all of the Parties, (b) Owners and the Trustee have executed the attached Acknowledgment and Consent to this Amendment, and (c) the Medical Center has reimbursed Owners for their currently outstanding reasonable attorneys’ fees and expenses.

8. In consideration of the financial accommodations set forth in this Amendment, each of the Parties specifically, expressly and forever waives any and all claims against Owners.

All representations and warranties made by any Party in the Agreement or the other Bond Documents and in this Amendment are true and correct as of the date hereof as if such representations and warranties have been made on the date hereof. All of the terms and conditions of the Bond Documents and the Agreement are in full force and effect, without waiver or modification of any kind whatsoever, except as expressly set forth herein. Future administration of the Liabilities and the financing arrangements among the Parties, the Trustee and Owners shall continue to be governed by the covenants, terms and conditions of the Agreement and the other Bond Documents, which are ratified and confirmed and incorporated by this reference, except to the extent modified by this Amendment, in which case this Amendment shall govern.

9. Except as expressly modified hereby, the terms of the Agreement remain in full force and effect, and are incorporated herein by reference.

10. The Medical Center acknowledges and agrees that the Bond Documents presently provide for and it shall pay to or reimburse Owners and the Trustee, on demand, any and all costs, fees and charges of Owners or the Trustee in accordance with the terms of the Bond Documents (including, without limit, audit fees, court costs, legal expenses and reasonable attorneys' fees, whether inside or outside counsel is used, whether or not suit is instituted, and, if suit is instituted, whether at the trial court level, appellate level, in a bankruptcy, probate or administrative proceeding or otherwise), incurred in connection with the Liabilities or the Bond Documents, including without limitation in connection with the preparation, execution, delivery, amendment, administration, and performance of this Amendment and the related documents, or incurred in collecting or attempting to collect on the Liabilities, or incurred in any other matter or proceeding relating to this Amendment or the Liabilities, including any preference or disgorgement actions. Concurrently with execution of this Amendment, the Medical Center shall reimburse Owners for their reasonable attorneys' fees and expenses. Owners will provide monthly summary invoices (showing hours and rates, but not narrative descriptions) to the Medical Center and the City for such attorneys' fees and expenses.

11. Concurrently with execution of this Amendment, the Parties shall provide or shall cause to be provided to Owners without further demand the following:

(a) a Signature Certificate of the Medical Center in form satisfactory to Owners specifying the name and title of the party authorized to execute this Amendment on behalf of the Medical Center;

(b) a Signature Certificate of the Authority in form satisfactory to Owners specifying the name and title of the party authorized to execute this Amendment on behalf of the Authority; and

(c) a Signature Certificate of the City in form satisfactory to Owners specifying the name and title of the party authorized to execute this Amendment on behalf of the City.

12. Each Party agrees to execute any and all additional or supplemental documentation, and provide such further assistance and assurances as Owners or the Trustee may require, in their sole and absolute discretion, to give full effect to the terms, conditions and

intentions of this Amendment, provided that no such additional documentation or further assurances shall create any new obligations on behalf of the City.

13. This Amendment shall be governed and controlled in all respects by the laws of the State of California, without reference to its conflict of law provisions, including interpretation, enforceability, validity and construction.

14. This Amendment shall inure to the benefit of Owners and all of their respective past, present and future parents, subsidiaries, affiliates, predecessors and successors and assigns, and all of their subsidiaries and affiliates and shall be binding on the Parties and their respective successors and assigns, except that the Parties' rights hereunder are not assignable without the prior written consent of both Owners, which consent either Owner may give, withhold or condition in its sole and absolute opinion and judgment.

15. In addition to the other representations, covenants and warranties set forth herein, each Party represents and warrants to Owners, and Owners are relying thereon, as follows:

(a) This Amendment and the Bond Documents constitute legal, valid, and binding agreements of the Parties; enforceable against the Parties in accordance with its terms; except as enforcement of the above-named documents may be limited by bankruptcy, insolvency, or other laws affecting the enforcement of creditors' rights generally, by the exercise of judicial discretion and by the application of equitable principles;

(b) There are no actions, suits, or proceedings pending or, to the knowledge of the Parties, threatened against or affecting any Party, in relation to its obligations to Owners, or involving the validity or enforceability of the Agreement, this Amendment, the other Bond Documents, the ability of any of them to perform their obligations to Owners under the Bond Documents or the priority of any liens thereof, at law or in equity, or before or by any governmental entity;

(c) This Amendment and the releases contained herein are intended to be final and binding, and Owners may expressly rely on the finality of this Amendment as a substantial, material factor inducing each Owner's execution of the Acknowledgment and Consent to this Amendment;

(d) Except as acknowledged by the Parties herein, no event has occurred or is continuing that constitutes a default of the Agreement, as amended by this Amendment, or a further default or Event of Default under the Bond Documents or that would constitute a default or Event of Default but for the requirement that notice be given or time elapse, or both; and

(e) The representations, warranties and agreements set forth herein shall be cumulative and in addition to any and all other representations, warranties and agreements which any Party gives or causes to be given to Owners, either now or hereafter.

16. RELEASE.

(A) AS OF THE DATE HEREOF EACH PARTY REPRESENTS AND WARRANTS THAT IT IS AWARE OF, AND POSSESSES, NO CLAIMS OR CAUSES OF ACTION AGAINST OWNERS OR THE TRUSTEE. NOTWITHSTANDING THIS

REPRESENTATION AND AS FURTHER CONSIDERATION FOR THE AGREEMENTS AND UNDERSTANDINGS HEREIN, EACH PARTY INDIVIDUALLY, JOINTLY, SEVERALLY, AND JOINTLY AND SEVERALLY, IN EVERY CAPACITY, INCLUDING BUT NOT LIMITED TO, AS SHAREHOLDERS, MEMBERS, OFFICERS, PARTNERS, DIRECTORS, INVESTORS, OR CREDITORS OF ANY ONE OR MORE OF THE PARTIES, ON BEHALF OF ITS EMPLOYEES, AGENTS, EXECUTORS, SUCCESSORS AND ASSIGNS, HEREBY RELEASES OWNERS AND THE TRUSTEE, AND THEIR RESPECTIVE OFFICERS, DIRECTORS, EMPLOYEES, AGENTS, ATTORNEYS, AFFILIATES, SUBSIDIARIES, SUCCESSORS AND ASSIGNS FROM ANY LIABILITY, CLAIM, RIGHT OR CAUSE OF ACTION THAT NOW EXISTS, OR HEREAFTER ARISES, WHETHER KNOWN OR UNKNOWN, OR WHETHER THEY MAY IN THE FUTURE DISCOVER THAT THEY WOULD HAVE NOW HAD IF THEY HAD KNOWN FACTS NOT NOW KNOWN TO THEM, WHETHER FOUNDED IN CONTRACT, IN TORT OR PURSUANT TO ANY OTHER THEORY OF LIABILITY, INCLUDING BUT NOT LIMITED TO ANY CLAIMS ARISING OUT OF OR RELATED TO THE BOND DOCUMENTS. BY WAY OF EXAMPLE AND NOT LIMITATION, THE FOREGOING INCLUDES ANY CLAIMS IN ANY WAY RELATED TO ACTIONS TAKEN OR OMITTED TO BE TAKEN BY OWNERS OR THE TRUSTEE UNDER THE BOND DOCUMENTS, THE BUSINESS RELATIONSHIP WITH OWNERS AND ALL OTHER OBLIGATIONS OF ANY NATURE OR KIND OF ANY ONE OR MORE OF THE PARTIES, ANY ORAL AGREEMENTS OR UNDERSTANDINGS (ACTUAL OR ALLEGED), ANY BANKING RELATIONSHIPS THAT ANY ONE OR MORE OF THE PARTIES HAS OR MAY HAVE HAD WITH OWNERS OR THE TRUSTEE AT ANY TIME AND FOR ANY REASON INCLUDING, BUT NOT LIMITED TO, DEMAND DEPOSIT ACCOUNTS, OR OTHERWISE.

(B) Each Party waives the provisions of California Civil Code section 1542, as it may be amended from time to time, which states:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.

(C) Each Party expressly waives and releases any right or benefit which it has or may have under California Civil Code Section 1542, and any similar law of any state, territory, commonwealth or possession of the United States, or the United States, to the full extent that it may waive all such rights and benefits pertaining to the matters released herein. In connection with such waiver and release, each Party acknowledges that it is aware that it may hereafter discover claims presently unknown or unsuspected, or facts in addition to or different from those which it now knows or believes to be true. Nevertheless, it is the intention of each Party, through this Amendment, to fully, finally and forever release all such matters, and all claims relative thereto, which do now exist, may exist, or heretofore have existed. In furtherance of such intention, the release herein given shall be and remain in effect as a full and complete release of such matters notwithstanding the discovery or existence of any such additional or different claims or facts relative thereto. In entering into this release, each Party recognizes that no facts or representations are ever absolutely certain; accordingly, each Party assumes the risk

of any misrepresentation, concealment or mistake, and if any Party should subsequently discover that any fact that it relied upon in entering into these releases was untrue, or that any fact was concealed from it, or that any understanding of the facts or of the law was incorrect, such Party shall not be entitled to set aside these releases by reason thereof, regardless of any claims of fraud, misrepresentation, promise made without the intention of performing it, concealment of fact, mistake of fact or law, or any other circumstances whatsoever.

(D) In giving the release provided for in this Amendment, Parties, and each of them, recognize that no facts or representations are ever absolutely certain; accordingly, they assume the risk of any mistake, and if they should subsequently discover that any understanding of the facts or of the law was incorrect, said party shall not be entitled to set aside this release by reason thereof, regardless of any mistake of fact or law.

(E) Parties, and each of them, are the sole and lawful owners of all right, title and interest in and to every claim and other matter which they purport to release herein, and they have not assigned or transferred, or purported to assign or transfer to any person or entity any claims or other matters herein released. Parties, individually and jointly, shall and hereby do indemnify, defend and hold Owners and the Trustee harmless from and against any claims, liabilities, actions, causes of action, demands, injuries, damages, costs, and expenses (including, but not limited to, attorneys' fees and costs), based upon or arising in connection with any such prior assignment or transfer, or any such purported assignment or transfer, or any claims or other matters released herein.

17. WAIVER OF JURY TRIAL AND BOND; SUBMISSION TO JURISDICTION AND ACKNOWLEDGMENT.

(A) (i) ANY JUDICIAL PROCEEDING AGAINST ANY PARTY BROUGHT BY THE TRUSTEE OR OWNERS WITH RESPECT TO ANY TERM OR CONDITION OF THIS AMENDMENT, OR ANY OTHER PRESENT OR FUTURE AGREEMENT BETWEEN ANY PARTY AND THE TRUSTEE OR OWNERS AND/OR ANY OTHER MATTER OF ANY KIND WHATSOEVER MAY BE BROUGHT BY THE TRUSTEE OR OWNERS IN A COURT OF COMPETENT JURISDICTION IN THE STATE OF CALIFORNIA, UNITED STATES OF AMERICA, AND EACH PARTY HEREBY IRREVOCABLY CONSENTS AND SUBMITS ITSELF TO JURISDICTION IN ANY SUCH COURT; AND, BY EXECUTION AND DELIVERY OF THIS AMENDMENT (AND THE ACKNOWLEDGMENT AND CONSENT HERETO), EACH OF THE PARTIES, THE TRUSTEE AND OWNERS ACCEPT FOR THEMSELVES AND IN CONNECTION WITH THEIR RESPECTIVE PROPERTIES, GENERALLY AND UNCONDITIONALLY, THE NONEXCLUSIVE JURISDICTION OF THE AFORESAID COURTS, AND IRREVOCABLY AGREE TO BE BOUND BY ANY FINAL JUDGMENT RENDERED THEREBY IN CONNECTION WITH THIS AMENDMENT, OR ANY OTHER PRESENT AND FUTURE AGREEMENT BETWEEN ANY PARTIES AND THE TRUSTEE OR OWNERS AND/OR ANY OTHER MATTER OF ANY KIND WHATSOEVER.

(ii) EACH OF THE PARTIES WAIVES PERSONAL SERVICE OF ANY AND ALL PROCESS UPON IT, AND CONSENTS THAT ALL SUCH SERVICE OF PROCESS MAY BE MADE BY FIRST-CLASS MAIL OR MESSENGER DIRECTED TO IT AT ITS ADDRESS SET FORTH IN THE AGREEMENT AMONG THE PARTIES, TRUSTEE AND OWNERS DATED JUNE 28, 2017, AS AMENDED. EACH OF THE PARTIES WAIVES

ANY BOND OR SURETY OR SECURITY UPON SUCH BOND OR SURETY THAT MIGHT, BUT FOR THIS WAIVER, BE REQUIRED OF THE TRUSTEE OR OWNERS.

(iii) NOTHING CONTAINED IN THIS SECTION AFFECTS OR LIMITS THE RIGHT OF THE TRUSTEE OR OWNERS TO SERVE LEGAL PROCESS IN ANY OTHER MANNER PERMITTED BY LAW OR AFFECTS THE RIGHT OF THE TRUSTEE OR OWNERS TO BRING ANY ACTION OR PROCEEDING AGAINST ANY PARTY OR ITS PROPERTY IN THE COURTS OF ANY OTHER JURISDICTION IN CALIFORNIA SELECTED BY THE TRUSTEE OR OWNERS IN ITS SOLE AND ABSOLUTE DISCRETION.

(iv) ANY JUDICIAL PROCEEDING BY ANY PARTY AGAINST THE TRUSTEE OR OWNERS AND/OR ANY PERSON OR ENTITY RELATED TO OR AFFILIATED WITH THE TRUSTEE OR OWNERS INVOLVING, DIRECTLY OR INDIRECTLY, ANY MATTER OR CLAIM IN ANY WAY ARISING OUT OF, RELATED TO OR CONNECTED WITH THIS AMENDMENT OR ANY PRESENT OR FUTURE AGREEMENT BETWEEN ANY PARTY AND THE TRUSTEE OR OWNERS AND/OR ANY OTHER MATTER OF ANY KIND WHATSOEVER, MAY BE BROUGHT ONLY IN A COURT LOCATED IN THE STATE OF CALIFORNIA, COUNTY OF LOS ANGELES (WHICH COURT, STATE OR FEDERAL, SHALL HAVE SOLE AND EXCLUSIVE JURISDICTION TO HEAR SUCH MATTERS).

(v) EACH OF THE PARTIES WAIVES ANY OBJECTION TO JURISDICTION AND VENUE OF ANY ACTION INSTITUTED HEREUNDER OR IN CONNECTION HEREWITH AND MAY NOT ASSERT ANY DEFENSE BASED IN ANY WAY ON LACK OF JURISDICTION OR VENUE OR BASED UPON FORUM NON CONVENIENS.

(B) RESERVED.

(C) EACH PARTY ACKNOWLEDGES THAT (i) IT HAS FULLY READ ALL OF THIS AMENDMENT AND HAS BEEN GIVEN THE OPPORTUNITY TO CONSULT WITH COUNSEL AND OTHER ADVISORS OF ITS CHOICE, AND AFTER CONSULTING WITH SUCH COUNSEL OR ADVISORS (OR HAVING HAD THE OPPORTUNITY TO DO SO), KNOWINGLY, VOLUNTARILY AND WITHOUT DURESS, COERCION, UNLAWFUL RESTRAINT, INTIMIDATION OR COMPULSION, ENTERS INTO THIS AMENDMENT, BASED UPON SUCH ADVICE AND COUNSEL (IF ANY) AND IN THE EXERCISE OF ITS, HIS OR HER BUSINESS JUDGMENT, (ii) THIS AMENDMENT HAS BEEN ENTERED INTO IN EXCHANGE FOR GOOD AND VALUABLE CONSIDERATION, RECEIPT OF WHICH THE PARTY ACKNOWLEDGES, (iii) IT, HAS CAREFULLY AND COMPLETELY READ ALL OF THE TERMS AND PROVISIONS OF THIS AMENDMENT AND IS NOT RELYING ON THE OPINIONS OR ADVICE OF THE TRUSTEE, OWNERS OR THEIR RESPECTIVE AGENTS OR REPRESENTATIVES IN ENTERING INTO THIS AMENDMENT.

(D) THE PARTIES (AND BY EXECUTION OF THE ATTACHED ACKNOWLEDGMENT AND CONSENT, THE TRUSTEE AND OWNERS) ACKNOWLEDGE THAT THE RIGHT TO TRIAL BY JURY IS A CONSTITUTIONAL ONE, BUT THAT IT MAY BE WAIVED UNDER CERTAIN CIRCUMSTANCES. TO THE EXTENT PERMITTED BY LAW, EACH OF THEM, AFTER CONSULTING (OR HAVING

HAD THE OPPORTUNITY TO CONSULT) WITH COUNSEL OF ITS, CHOICE, KNOWINGLY AND VOLUNTARILY, AND FOR THE MUTUAL BENEFIT OF ALL OF THEM, WAIVES ANY RIGHT TO TRIAL BY JURY IN THE EVENT OF LITIGATION ARISING OUT OF OR RELATED TO THIS AMENDMENT OR ANY OTHER DOCUMENT, INSTRUMENT OR AGREEMENT BETWEEN THE PARTIES, THE TRUSTEE OR THE OWNERS.

18. JUDICIAL REFERENCE PROVISION.

(A) In the event the jury trial waiver set forth above is not enforceable, the parties elect to proceed under this Section.

(B) With the exception of the items specified in Section (C) below, any controversy, dispute or claim (each, a “**Claim**”) between the parties arising out of or relating to this Amendment or any other document, instrument or agreement between the undersigned parties (collectively in this Section, the “**Documents**”), will be resolved by a reference proceeding in California in accordance with the provisions of Sections 638 et seq. of the California Code of Civil Procedure as it may be amended from time to time (“**CCP**”), or their successor sections, which shall constitute the exclusive remedy for the resolution of any Claim, including whether the Claim is subject to the reference proceeding. Except as otherwise provided in the Documents, venue for the reference proceeding will be in the state or federal court in Los Angeles County, California (the “**Court**”).

(C) The matters that shall not be subject to a reference are the following: (i) foreclosure of any security interests in real or personal property, (ii) exercise of self-help remedies (including, without limitation, set-off), (iii) appointment of a receiver and (iv) temporary, provisional or ancillary remedies (including, without limitation, writs of attachment, writs of possession, temporary restraining orders or preliminary injunctions). This reference provision does not limit the right of any party to exercise or oppose any of the rights and remedies described in clauses (i) and (ii) or to seek or oppose from a court of competent jurisdiction any of the items described in clauses (iii) and (iv). The exercise of, or opposition to, any of those items does not waive the right of any party to a reference pursuant to this reference provision as provided herein.

(D) The referee for resolution of any Claim under this Section shall be a retired judge or justice selected by mutual written agreement of the parties. If the parties do not agree within ten (10) days of a written request to do so by any party, then, upon request of any party, the referee shall be selected by the Presiding Judge of the Court (or his or her representative). A request for appointment of a referee may be heard on an ex parte or expedited basis, and the parties agree that irreparable harm would result if ex parte relief is not granted. Pursuant to CCP §170.6, each party shall have one peremptory challenge to the referee selected by the Presiding Judge of the Court (or his or her representative).

(E) The parties agree that time is of the essence in conducting the reference proceedings under this Section. Accordingly, the referee shall be requested, subject to change in the time periods specified herein for good cause shown, to (i) set the matter for a status and trial-setting conference within fifteen (15) days after the date of selection of the referee, (ii) if practicable, try all issues of law or fact within one hundred twenty (120) days after the date of

the conference, and (iii) report a statement of decision within twenty (20) days after the matter has been submitted for decision.

(F) The referee will have power to expand or limit the amount and duration of discovery. The referee may set or extend discovery deadlines or cutoffs for good cause, including a party's failure to provide requested discovery for any reason whatsoever. Unless otherwise ordered based upon good cause shown, no party shall be entitled to "priority" in conducting discovery, depositions may be taken by either party upon seven (7) days written notice, and all other discovery shall be responded to within fifteen (15) days after service. All disputes relating to discovery which cannot be resolved by the parties shall be submitted to the referee whose decision shall be final and binding.

(G) Except as expressly set forth herein, the referee shall determine the manner in which the reference proceeding is conducted including the time and place of hearings, the order of presentation of evidence, and all other questions that arise with respect to the course of the reference proceeding. All proceedings and hearings conducted before the referee, except for trial, shall be conducted without a court reporter, except that when any party so requests, a court reporter will be used at any hearing conducted before the referee, and the referee will be provided a courtesy copy of the transcript. The party making such a request shall have the obligation to arrange for and pay the court reporter. Subject to the referee's power to award costs to the prevailing party, the parties will equally share the cost of the referee and the court reporter at trial.

(H) The referee shall be required to determine all issues in accordance with existing case law and the statutory laws of the State of California. The rules of evidence applicable to proceedings at law in the State of California will be applicable to the reference proceeding. The referee shall be empowered to enter equitable as well as legal relief, enter equitable orders that will be binding on the parties and rule on any motion which would be authorized in a court proceeding, including without limitation motions for summary judgment or summary adjudication. The referee shall issue a decision at the close of the reference proceeding which disposes of all claims of the parties that are the subject of the reference. Pursuant to CCP §644, such decision shall be entered by the Court as a judgment or an order in the same manner as if the action had been tried by the Court and any such decision will be final, binding and conclusive. The parties reserve the right to appeal from the final judgment or order or from any appealable decision or order entered by the referee. The parties reserve the right to findings of fact, conclusions of laws, a written statement of decision, and the right to move for a new trial or a different judgment, which new trial, if granted, is also to be a reference proceeding under this provision.

(I) If the enabling legislation which provides for appointment of a referee is repealed (and no successor statute is enacted), any dispute between the parties that would otherwise be determined by reference procedure will be resolved and determined by arbitration. The arbitration will be conducted by a retired judge or justice, in accordance with the California Arbitration Act §1280 through §1294.2 of the CCP as amended from time to time. The limitations with respect to discovery set forth above shall apply to any such arbitration proceeding.

(J) THE PARTIES RECOGNIZE AND AGREE THAT ALL CONTROVERSIES, DISPUTES AND CLAIMS RESOLVED UNDER THIS REFERENCE

PROVISION WILL BE DECIDED BY A REFEREE AND NOT BY A JURY. AFTER CONSULTING (OR HAVING HAD THE OPPORTUNITY TO CONSULT) WITH COUNSEL OF ITS, OWN CHOICE, EACH PARTY KNOWINGLY AND VOLUNTARILY, AND FOR THE MUTUAL BENEFIT OF ALL PARTIES, AGREES THAT THIS REFERENCE PROVISION WILL APPLY TO ANY CONTROVERSY, DISPUTE OR CLAIM BETWEEN OR AMONG THEM ARISING OUT OF OR IN ANY WAY RELATED TO, THIS AMENDMENT OR THE OTHER DOCUMENTS.

19. THE PARTIES, THE TRUSTEE OR OWNERS MAY FILE AN ORIGINAL COUNTERPART OR A COPY OF THIS AMENDMENT WITH ANY COURT AS WRITTEN EVIDENCE OF THE FACTS, CONDITIONS, WAIVERS AND CONSENTS CONTAINED HEREIN. PRIOR DRAFTS OF THIS AMENDMENT, IF ANY, HOWEVER SHALL NOT BE USED AS EVIDENCE IN ANY JUDICIAL PROCEEDINGS.

20. This Amendment may be executed in counterparts and delivered by facsimile or in the portable document format (“**.PDF**”) and the counterparts, when properly executed by all parties and delivered in such manner by the signing deadline, will constitute a fully executed complete agreement.

21. The Medical Center shall properly execute this Amendment and deliver same by .PDF so that it is received by the Trustee and the Owners by no later than 5:00 p.m. Pacific Time on March 13, 2018 with the original to follow so that it is received by the Trustee and the Owners by no later than March 15, 2018. If the Medical Center does not execute and deliver this Amendment by March 13, 2018 (with the original to follow so that it is received by March 15, 2018), then this Amendment and the attached Acknowledgment and Consent are not effective. The City and the Authority have advised that this Amendment is scheduled to be considered for approval at a meeting scheduled for March 20, 2018. If approved by the City and the Authority, then the City and the Authority shall properly execute this Amendment and deliver same by .PDF so that it is received by the Trustee and the Owners by no later than 5:00 p.m. Pacific Time on March 21, 2018 with the original to follow so that it is received by the Trustee and the Owners by no later than March 23, 2018. If the City and the Authority do not approve, execute and deliver this Amendment by March 21, 2018 (with the original to follow so that it is received by March 23, 2018), then this Amendment and the attached Acknowledgment and Consent are not effective.

22. The Agreement, as amended by this Amendment, may be further modified or amended only by written agreement duly executed by the Parties to this Amendment and acknowledged by the Trustee and Owners.

23. The Agreement, as amended by this Amendment, and the other Bond Documents express the entire agreement of the parties hereto relative to the subject matter hereof. No covenants, agreements, representations, or warranties of any kind whatsoever have been made by any party hereto with respect to the subject matter hereof, except as specifically set forth in the Agreement, as amended by this Amendment, and the other Bond Documents.

24. If any provision of this Amendment is found to be illegal, invalid, or unenforceable under present or future laws effective during the term of this Amendment, such provisions shall be fully severable; this Amendment shall be construed and enforced as if such illegal, invalid, or unenforceable provision never comprised a part of this Amendment; and the

remaining provisions of this Amendment shall remain in full force and effect and shall not be affected by the illegal, invalid, or unenforceable provision, or by severance from this Amendment.

25. The Parties represent and warrant that all of the waivers, warranties, and promises set forth in the Agreement, as amended by this Amendment, and the Bond Documents were and are made after an opportunity to consult with legal counsel of their choosing and with an understanding of their significance and consequence, and that they are reasonable.

26. The Parties hereto expressly acknowledge and agree that time is of the essence and that all deadlines and time periods provided for under this Amendment are ABSOLUTE AND FINAL, absent a further amendment to the Agreement.

27. The execution, delivery and performance by the Parties of this Amendment and the other documents executed herewith do not and shall not (i) conflict with, violate or result in a material breach of any provision of any applicable law, rule, regulation or order to which any Party is subject, or (ii) conflict or result in a breach of any other agreement to which any Party is a party. No authorization, consent or approval or other action by, and no notice of or filing with, any governmental authority or regulatory bodies is required to be obtained or made by any Party for the due execution, delivery and performance of this Amendment or any documents executed in connection with this Amendment. Each Party is *sui juris* and of full capacity to enter into and perform under this Amendment and has its principal place of business in the State of California, and this is also true for each person executing this Amendment and any other documents on behalf of each Party. All actions required to be taken by the Parties and their respective officers, directors and members (as applicable) for the due authorization, execution, delivery and performance of this Amendment have been taken.

28. Each of the Parties acknowledges that it is entering into this Amendment voluntarily and based on its own investigation and not based on any representation of Owners or the Trustee other than as expressly set forth herein. Each of the Parties certifies and represents to Owners that it has had full opportunity to confer with the independent legal counsel of its choosing and/or has been represented by counsel in connection with the negotiation, execution and delivery of this Amendment. For purposes of contract interpretation, and in particular the resolution of any asserted ambiguity in this Amendment, the Parties, the Trustee and Owners agree that this Amendment was prepared by all of them and/or their respective counsel together, and therefore no provision in this Amendment shall be construed against any Party, the Trustee or the Owners based on the authorship of that provision by such party. Each of the Parties has voluntarily, without coercion or duress of any kind, entered into this Amendment and the other documents.

29. Notwithstanding any provision of the Agreement, as amended by this Amendment, and/or the other Bond Documents:

(a) Owners are not and shall not be construed to be a partner, joint venture, alter ego, manager, controlling person or other business associate or participant of any kind of any Party, or any other person;

(b) Owners shall not be deemed responsible to perform or participate in any acts, omissions, or decisions of any Party; and

(c) No Party has any claims, causes of action or defenses to its obligations to Owners based on any allegations of management or control exercised by Owners. Each Party acknowledges and agrees that Owners do not manage or control it in any way.

30. Each Party agrees to execute and deliver, or cause to be executed and delivered, all such other instruments and documents, and take all such other commercially reasonable actions as the Trustee or Owners may reasonably request from time to time, without payment of further consideration, in order to effectuate the intent and purpose of this Amendment.

31. Within 3 business days after all parties have executed this Amendment, the Medical Center shall provide to Owners written evidence that an executed copy of this Amendment has been delivered to the Medical Center's Board of Trustees.

32. Nothing in this Amendment shall create any payment obligations on behalf of the City that are not set forth in the existing Bond Documents.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, and agreeing to be legally bound hereby, the Parties hereto have caused this Amendment to be executed by their duly authorized officers, as applicable, on the date and year first written above. The undersigned each hereby certify that they have read and fully understand all of the terms, provisions and conditions of this Amendment and have executed this Amendment voluntarily.

EL CENTRO REGIONAL MEDICAL CENTER

By: _____

Name: Adolphe Edward

Title: Chief Executive Officer

CITY OF EL CENTRO

By: _____

Name: Marcela Piedra

Title: City Manager

EL CENTRO FINANCING AUTHORITY

By: _____

Name: Marcela Piedra

Title: Executive Director

Attachment: 2nd Amendment to IPA (2662 : Second Amendment to Installment Purchase Agreement)

ACKNOWLEDGMENT AND CONSENT

MUFG Union Bank, N.A., as Trustee (the “**Trustee**”), Key Government Finance, Inc. (“**Key**”) and Comerica Bank (“**Comerica**” and together with Key, “**Owners**”) execute this Acknowledgment and Consent to the foregoing Second Amendment to Installment Purchase Agreement dated March 13, 2018 among City of El Centro, El Centro Regional Medical Center, an agency of the City and El Centro Financing Authority (the “**Amendment**”) and state as follows:

1. Undefined capitalized terms in this Acknowledgment and Consent have the meanings specified in the Amendment.
2. The Owners and the Trustee (at the direction of the Owners which direction is hereby provided) acknowledge and consent to the terms of the Amendment.
3. Except as specifically set forth herein, this Acknowledgment and Consent shall not be deemed to amend or alter in any respect the terms and conditions of the Agreement, the Trust Agreement or any Related Document, or to constitute a waiver or release by Owners or the Trustee of any right, remedy, default or Event of Default under the Agreement, the Trust Agreement, or any other document executed by the Medical Center or the City in connection with the Agreement, the Trust Agreement or the issuance of the Series 2015 Bonds (collectively, “**Related Documents**”). Furthermore, this Acknowledgment and Consent shall not affect in any manner whatsoever any rights or remedies of Owners or the Trustee with respect to any non-compliance by the Medical Center or the City with the Agreement, the Trust Agreement or any of the Related Documents, whether in the nature of a default or Event of Default, and whether now in existence or subsequently arising, and shall not apply to any other transaction.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

MUFG UNION BANK, N.A., AS TRUSTEE

By: _____

Name: _____

Title: _____

KEY GOVERNMENT FINANCE, INC.

By: _____

Name: _____

Title: _____

COMERICA BANK

By: _____

Name: Cynthia B. Jones

Title: Vice President

Attachment: 2nd Amendment to IPA (2662 : Second Amendment to Installment Purchase Agreement)