

CALL TO ORDER The meeting was called to order at 12:25 p.m. by John Ungersma, M.D., Vice President.

PRESENT John Ungersma, M.D., Vice President
Denise Hayden, Treasurer
D. Scott Clark, M.D., Director

ALSO PRESENT John Halfen, Administrator
Sandy Blumberg, Administration Executive Assistant

ABSENT Peter Watercott, President
M.C. Hubbard, Secretary
Robbin Cromer-Tyler, M.D., Chief of Staff
Doug Buchanan, District Legal Counsel

OPPORTUNITY FOR
PUBLIC COMMENT Doctor Ungersma asked if any members of the public wished to comment on any items listed on the Notice for this meeting, or on any items of interest. No comments were heard.

APPROVAL OF
HOLMAN
CAPITAL/ALLIANCE
BANK OF ARIZONA
LINE OF CREDIT
DOCUMENTS Mr. Halfen called attention to a proposed *Loan and Security Agreement* between Alliance Bank of Arizona (a Division of Western Alliance Bank) and Northern Inyo County Local Hospital District (NICLHD), which would establish a \$5,000,000 Line of Credit for the District. He noted he is requesting approval of this agreement pending approval of District Legal Counsel Douglas Buchanan, who was not in attendance at this meeting.

Mr. Halfen stated the proposed agreement includes creative language to deal with the restrictions on the 1998 bond issue, which will be considered partial collateral for amounts that are borrowed. He also noted that the agreement requires the Hospital District to pay the credit line down to zero once every year (one time during each 12 month increment of time), which he intends to do at the beginning of the first month of borrowing, essentially giving the District almost 24 additional months until the line will again need to be paid to zero again. During that 24 month period, the 1998 revenue bonds will be refinanced in order to provide additional capital.

Following review of the Line of Credit documents provided, it was moved by Denise Hayden, seconded by D. Scott Clark, M.D., and passed to approve the *Loan and Security Agreement* with Alliance Bank of Arizona as requested, pending the approval of District Legal Counsel.

OPPORTUNITY FOR
PUBLIC COMMENT

Doctor Ungersma again asked if any members of the public wished to comment on any items listed on the Notice for this meeting, or on any items of interest. No comments were heard.

ADJOURNMENT

The meeting was adjourned at 12:31 p.m..

John Ungersma, M.D., Vice President

Attest:

Denise Hayden, Treasurer