



W A S H I N G T O N

HEALTH CARE FACILITIES

A U T H O R I T Y

Financing the Health Care Future

**Washington Health Care Facilities Authority
Special Meeting by Teleconference
Thursday, June 12, 2020 Meeting Minutes**

Board Members

Governor
Jay Inslee
Chair

Governor's Designee
David Schumacher

Lieutenant Governor
Cyrus Habib

Insurance Commissioner
Mike Kreidler

Insurance Commissioner's
Designee
Toni Hood

Secretary
Department of Health

John Wiesman

Public Member
Steven R. Jacobs

Executive Director
Donna A. Murr

A special meeting of the Washington Health Care Facilities Authority was held by teleconference. Meeting notices were mailed to all members of the Authority, to all persons who requested such meeting notice, and to those members of the media presently on the mailing list for receiving meeting notices of the Washington Health Care Facilities Authority.

Members Present:

David Schumacher, Governor's Designee, Member, Chair
Toni Hood, Insurance Commissioner's Designee, Member
Steve Jacobs, Public Member

Authority Staff Present:

Shannon Govia, Assistant Executive Director and Program Manager
Ashlee Frye, Assistant Executive Director and Chief Financial Officer

Others Present:

Rusty Fallis, Authority Assistant Attorney General
Dan Gottlieb, Authority Bond Counsel, Hillis Clark Martin & Peterson P.S.
Brandon Pond, Authority Bond Counsel, Hillis Clark Martin & Peterson P.S.
Robyn Helmlinger, Authority Bond Counsel, Orrick Herrington & Sutcliffe LLP
Bryan Victor, Authority Bond Counsel, Orrick Herrington & Sutcliffe LLP
Catrina Kohn, Authority Bond Counsel, Orrick Herrington & Sutcliffe LLP
Raul Ardelean, Authority Financial Advisor, Melio & Company
Steve Huebner, Chief Financial Officer, Seattle Cancer Care Alliance
Therese L. Wareham, Managing Director, Kaufman Hall

Mr. Schumacher called the meeting to order at 11:01 a.m. after noting a quorum was present consisting of himself, Ms. Hood, and Mr. Jacobs.

Review, discussion and possible action regarding the adoption of Resolution No. 2020-03 approving the application for financial assistance and authorizing the issuance and sale of bonds for the benefit of Seattle Cancer Care Alliance (SCCA).

Mr. Govia summarized Resolution No. 2020-03 which, if adopted, would approve the application for financial assistance submitted by SCCA and authorize the issuance and sale of bonds in a principal amount not-to-exceed \$280,000,000. The proceeds of the loan will be used to finance the construction and expansion of a clinic located in Seattle, purchase various new equipment,

reimbursement for prior capital expenditures, refinance the WHCFA Series 2010 Bond and pay issuance and capitalized interest costs.

The financing will be structured as a public sale and the underwriters are J.P. Morgan Securities LLC and Barclays Capital Inc. The loan will be secured by an obligation issued under the SCCA Master Trust Indenture. The bonds will be issued based of the credit rating of SCCA which is currently A+/A2 (Fitch/Moody's). There are no Certificate of Need issues per the Department of Health. A TEFRA hearing was held on March 12, 2020, at which no individuals testified for or against the project. The interest rate will be determined at pricing. The bond trustee is U.S. Bank, National Association. SCCA anticipates that it will save approximately \$9.8 million in interest costs over traditional taxable interest rate financing.

Mr. Govia introduced Mr. Victor from Orrick Herrington & Sutcliffe LLP., serving as the Authority's bond counsel for this transaction. Mr. Victor summarized the documents presented for approval and indicated that they are all in good order. Based on the determinations that are required by Authority's WACs, the due diligence investigation conducted by bond counsel, as well as the information in the application, Mr. Govia urged adoption of Resolution No. 2020-03 for the benefit of SCCA.

Mr. Jacobs commented that he was pleased to see that the Certificate of Need issue identified during the application acceptance meeting in January, 2020 was resolved. Mr. Jacobs also stated that the information provided in the Preliminary Offering Statement (POS) as well as Appendix A was helpful in providing a better understanding of the organization and intent of the financing.

There being no further discussion, upon motion by Mr. Jacobs, seconded by Ms. Hood, Resolution No. 2020-03 was adopted by a 3-0 roll call vote.

Adjournment:

There being no further business, the meeting was adjourned at 11:11 am.

John Wiesman, Secretary