

Public Hospital District No. 4, King County
Board of Commissioners
Regular Meeting AGENDA
Thursday, May 14, 2020 - 6:30 pm
Via Conference Call Only
1-800-704-9804
Participant Code: 98477739#

CALL TO ORDER / ROLL CALL

APPROVAL OF AGENDA

COMMUNICATIONS

Emma Herron, President
Kim Witkop, M.D., Superintendent Report
Skip Houser, General Counsel, Board Education

CONSENT AGENDA

1. Approval of Minutes:
 - a. Regular Meeting – April 22, 2020
2. Physician Credentialing

COMMITTEE REPORTS – Action Requested as noted

1. Finance Committee
 - a. Approval of warrants, payroll and payroll taxes – March 2020 – **Action**
2. Medical Committee
3. Facilities Committee

OLD BUSINESS – Introduction and Discussion - None

NEW BUSINESS – Introduction and Discussion

1. Resolution No. 662-0520 re SBA Loan (CARES Act Payroll Protection Program)

PUBLIC COMMENT – (Please limit comments to 3 minutes)

ACTION ITEMS – VOTE

1. Resolution No. 662-0520 re SBA Loan (CARES Act Payroll Protection Program)

GOOD OF THE ORDER/COMMISSIONER COMMENT (Each commissioner shall have one comment period limited to three minutes)

NEXT SCHEDULED MEETINGS: Locations TBD

Work / Study: Wednesday, May 27, 2020, 6:30 pm

Affiliation Work / Study – Thursday, June 11, 2020, 4:30-6:00 pm

Monthly Business Meeting – Thursday, June 11, 2020, 6:30 pm

ADJOURNMENT

DRAFT



**PUBLIC HOSPITAL DISTRICT NO. 4, KING COUNTY
Board of Commissioners
April 9, 2020, 6:30 pm
MINUTES
Snoqualmie Valley Hospital, Via Teleconference
Snoqualmie, WA**

PRESENT:

Emma Herron, President
Dariel Norris, Vice President
Kevin Hauglie, Secretary
David Speikers, Commissioner
Jen Carter, Commissioner

ALSO PRESENT:

Kim Witkop, M.D., Interim Superintendent/CEO, CMO
Karyn Denton, COO/CNO
Patrick Ritter, CFO
Charles (Skip) Houser, General Counsel
Valerie Huffman, Clerk

CALL TO ORDER: The meeting was called to order by Pres. Herron at 6:30 pm, followed by roll call. This meeting was held via conference call only and all parties listed above were on the call. The call-in number had been provided on a Public Meeting Notice posted prior to the meeting. Vice President Norris joined the meeting at 6:50 pm.

Dr. Kim Witkop announced that this meeting was being recorded and following the guidance issued in the Governor Inslee's Proclamation 20-28 having to do with the Open Public Meeting Act and Public Records Act.

APPROVAL OF AGENDA

A motion was made and seconded to approve the agenda as written. M/Hauglie, S/Speikers

The motion passed by unanimous vote.

COMMUNICATIONS:

Pres. Herron shared communication that she received from a member of the public asking if the board would consider having a virtual board meeting so that the public could participate and offer public comments, something similar to zoom.

Kim Witkop, M.D., Interim Superintendent/CEO shared the following housekeeping items in addition to her report:

- Arrangements will be made with those commissioners that need to sign the minutes and summary of warrants over the next few days.
- A reminder was given that Public Disclosure reports are due April 15, 2020. As far as is known, there is no delaying the due date because of the current COVID crisis because it is an online report.
- Dr. Witkop presented her CEO report which consisted of a summary of all the work to date that has gone on at the hospital in response to the COVID crisis.

Skip Houser, General Counsel, presented a summary of the Governor's Proclamation regarding the Open Public Meeting Act and public records requests.

CONSENT AGENDA

In the minutes from March 12, 2020, under Called to Order, a correction was requested to change the name to Pres. Herron instead of Pres. Norris.

A motion was made and seconded to approve the consent agenda, with the correction made to the minutes as requested above. M/Speikers, S/Norris.

There was no further discussion and the motion unanimously passed.

COMMITTEE REPORTS

1. Finance Committee Report - Approval of warrants, payroll and payroll taxes – February 1 thru February 29, 2020. Commissioner Speikers reported on the February 2020 finances that were reviewed at the Finance Committee meeting held on April 7, 2020.

Written minutes were also provided. The committee will next meet on April 28, 2020 to review March 2020 finances.

1(a). Approval of Warrants, Payroll and Payroll taxes – February 2020.

A motion was made and seconded to approve total disbursements that includes payroll warrants, hospital and clinic payroll, auto deposits, hospital and clinic payroll taxes, retirement and matching plans, as well as all accounts payable warrants in the total amount of \$2,838,610.53 for February 1 thru February 29, 2020, as recommended by the Finance Committee. M/Speikers, S/Norris

The motion carried by unanimous vote.

2. Medical Committee Report. Written minutes from the April 7, 2020 meeting were provided as part of the board packet. A report on the meeting was given by Commissioner Norris. The committee will next meet on May 5, 2020.

3. Facilities Committee Report. Comm. Hauglie reported on items discussed in the Facilities Committee meeting held on March 23, 2019. The committee is scheduled to next meet on April 27, 2020. Written minutes were also provided.

NOTE: Any documents presented at this meeting are available upon request. Minutes and the audio recording are posted on the District Website at www.snoqualmiehospital.org under the Governance Page. For questions or further information, please contact Administration at 425.831.2362 or email valerieh@snoqualmiehospital.org.

OLD BUSINESS: None.

NEW BUSINESS: None.

PUBLIC COMMENT: None.

NEW BUSINESS – Action Items: None.

GOOD OF THE ORDER/COMMISSIONER COMMENT: Comments made by commissioners can be heard on the audio of this meeting posted on the District website.

UPCOMING PUBLIC MEETINGS: Meeting locations TBD:

Work / Study: Wednesday, April 22, 2020, 6:30 pm

Affiliation Work / Study – Thursday, May 14, 2020, 4:30-6:00 pm

Monthly Business Meeting – Thursday, May 14, 2020, 6:30 pm

There being no further business the meeting was adjourned at 7:30 pm.

Emma Herron, President

Kevin Hauglie, Secretary



DRAFT

PUBLIC HOSPITAL DISTRICT NO. 4, KING COUNTY
Board of Commissioners
April 22, 2020
MINUTES
WORK/STUDY
6:30 p.m.
Via Teleconference

PRESENT:

Emma Herron, President
Dariel Norris, Vice President
Kevin Hauglie, Secretary
David Speikers, Commissioner
Jen Carter, Commissioner

ALSO PRESENT:

Kim Witkop, M.D., Interim Superintendent/CEO, CMO
Karyn Denton, COO/CNO
Patrick Ritter, CFO
Charles (Skip) Houser, General Counsel
Valerie Huffman, Clerk

CALL TO ORDER: The meeting was called to order by Pres. Herron at 6:30 pm followed by roll call. This meeting was held via conference call only and all parties listed above were on the call. The call-in number had been provided on a Public Meeting Notice posted prior to the meeting.

APPROVAL OF AGENDA:

A motion was made and seconded to approve the agenda as written. M/Hauglie, S/Norris

The motion unanimously passed.

TOPIC OF DISCUSSION:

1. Overview of state and federal emergency support responses to COVID crisis. A presentation was made by the Executive Staff, Dr. Kim Witkop, Karyn Denton and Patrick Ritter, that provided a summary of support responses to the COVID-19 crisis operationally and financially. This included details on federal responses that have implications for District

operations, as well as the various financial programs the District may be able to take advantage of.

PUBLIC COMMENT: None.

An audio recording of this meeting is available on the District's website at www.snoqualmiehospital.org under the Governance page. Copies of any presentations and/or documents are available upon request by contacting Administration at 425.831.2362.

UPCOMING PUBLIC MEETINGS: Locations TBD

Affiliation Work / Study – Thursday, May 14, 2020, 4:30-6:00 pm

Monthly Business Meeting – Thursday, May 14, 2020, 6:30 pm

Work / Study: Wednesday, May 27, 2020, 6:30 pm

The meeting adjourned at 7:46 pm.

Emma Herron, President

Kevin Hauglie, Secretary



**Public Hospital District No. 4, King County
Finance Committee Minutes
April 28, 2020
11:00 am – 12:30 pm
Snoqualmie Valley Hospital,
Via Teleconference**

Present:

David Speikers, Commissioner, Chair
Emma Herron, Commissioner
Patrick Ritter, CFO
Kim Witkop, MD, Interim CEO/CMO
Karyn Denton, COO/CNO
Jim Baldauf, Director of Finance

March 2020 Finances:

Income Statement:

Revenue:

- Loss of \$301,744
 - Additions
 - Avg. inpatient Census 22.4 at budget
 - Lab 89% above revenue
 - Imaging above budget
 - Detraction
 - ER 30% less than March 2019
 - Rehab 14% under budget
 - Clinic 1% under budget
 - Endo 40% under budget

Discussion regarding where the revenues fell short in largest margin. Inpatient, ER, and Clinics have the biggest revenue shortfalls on the year.

Expenses:

- Additions
 - Salaries 2% under budget

- Repairs at budget
- Detractions
 - Insurance Expense is above budget but less than 2019 YTD
 - Pro Fees are above budget but overall total is less than 2019 YTD
 - Supplies
 - Increased inpatient and preparing for COVID
 - Purchased Services
 - Lab Services higher revenues collected in March
 - Utilities expenses 13% higher in 2020
 - Other Expenses
 - General Election Expense \$26,000

Discussed strategies and actions that SVH is taking to reduce expenses. Implementing furloughs, encouraging expending PTO, and replacing some higher salaried FTE's in under-utilized departments with lower salary FTEs in higher demand departments.

Balance Sheet:

- Assets
 - AR increased mostly new inpatient Revenue.
 - Cash increased
 - Depreciation increased
 - Total Current Assets increase ~\$330,000
- Liabilities
 - Accrued payroll increase
 - Accrued interest increase
 - Total Current Liabilities increase ~330,000

Cash Flow:

- Cash Up \$186000
 - Negative Net Income
 - Accrued short term liabilities

AR Days:

- March AR days increased 63.3
 - More Swing Bed
 - More Commercial Swing Bed
 - Increased Lab Revenue Claims

Bond Covenants: (Snapshot forecast)

- Debt Coverage 2.10; requirement 1.20
- Reserve Requirement is at \$3,675,188 as required
- Days cash is 79; bond requirement is 60

Statistics:

- YTD census 19.7 versus budget of 22.3
- Inpatient census increased closer to budget, or above, near the end of March.
- All outpatient services have been impacted by COVID-19 with the following completely off-line: Endo, Echo, Sleep Lab, bone densitometry.

COVID-19 Funding Update

- CMS
 - Accelerated Payments (\$11,000,000 received April 23rd)
 - Recoupment from future revenues begins end of August 2020
 - Revenue Loss Grant (\$1,260,000 received April 10)
 - Disaster Waivers (2% Sequestration ended)
- FEMA
 - Grants Portal Opened
 - Opened Public Assistance Request
 - Calculating Costs
 - FEMA webinar for special districts is May 7th.
- Payroll Protection Plan
 - SBA Loan to Grant (\$3,900,000 received April 23rd)

Other

- Lab margins were discussed; A slide was presented showing Gross Revenue, contractual adjustments, expenses and operating Income.
 - Discussed how SML is paid from Net Revenue received. Average time to collect on Lab revenue is about 60 days.
- The County has informed us that 60% of property taxes have been collected and a distribution will be made to districts once it's determined how to make the appropriate proportions.

NEXT MEETING: Wednesday, June 3, 2020 – 11:30 am – Location TBD

Approved: April 29, 2020



Approval of Warrants, payroll and payroll taxes -March 1 thru March 31, 2020

Summary:

Hospital and Clinics Accounts Payable Warrants:

#71999 thru #72224	<u>\$1,118,206.09</u>
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Payroll Warrants #14002 to #14009	2,750.26
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Hospital and Clinics Payroll Auto Deposits	1,023,287.64
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Hospital and Clinics Payroll Taxes:	385,994.44
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Hospital & Clinic Matching Plans:	110,001.39
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<u>\$1,522,033.73</u>

TOTAL DISBURSEMENTS

<u><u>\$2,640,239.82</u></u>

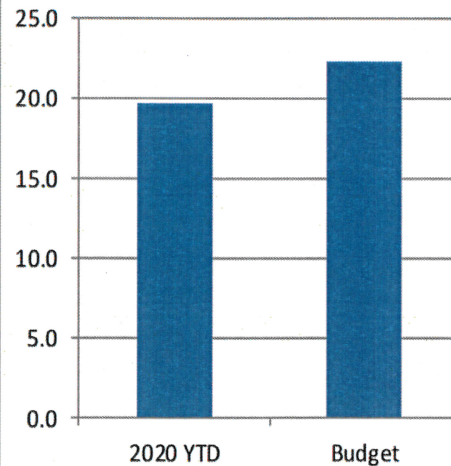
Snoqualmie Valley Hospital Statistics Summary Display



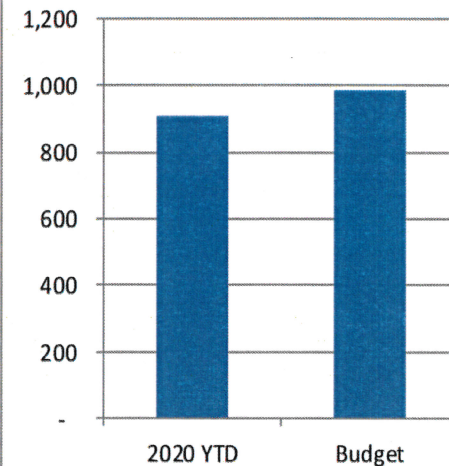
March YTD Statistics Summary

	2020 YTD	Budget	Var	%Var
Ave Daily Census	19.7	22.3	(2.6)	-11.7%
Emergency	911	987	(76)	-7.7%
Laboratory	20,888	11,046	9,842	89.1%
Imaging	1,139	1,079	60	5.6%
Clinics	4,528	4,568	(40)	-0.9%
OP Rehab	2,084	2,419	(335)	-13.8%

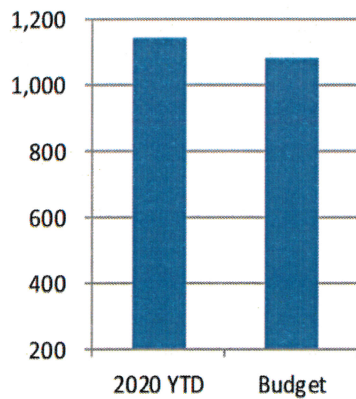
Ave Daily Census



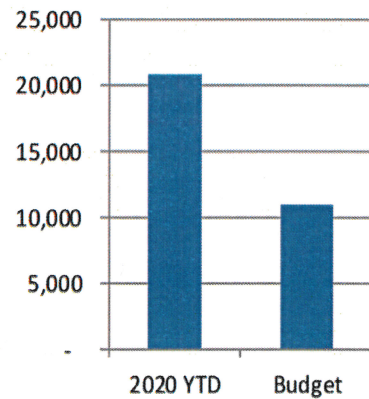
Emergency



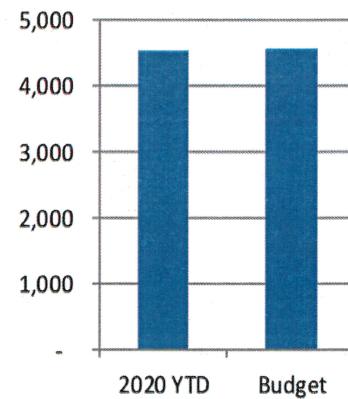
Imaging



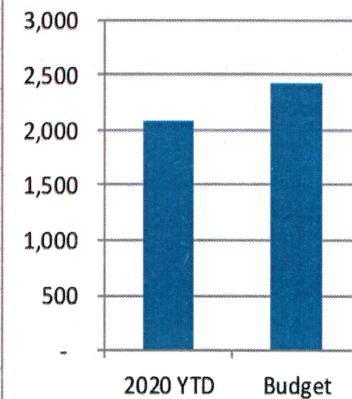
Laboratory



Clinics



OP Rehab



Operations Consolidated

CURRENT MONTH				ACTUAL vs BUDGET MARCH 2020	YEAR TO DATE				LAST YEAR TO DATE		
ACTUAL	BUDGET	VARIANCE	% VARIANCE		ACTUAL	BUDGET	VARIANCE	% VARIANCE	YTD Last Year	Variance Last Year	%Variance Last Year
\$ 2,851,931	\$ 3,186,939	\$ (335,008)	-11%	NET PATIENT SERVICE REVENUE	\$ 8,184,706	\$ 9,353,280	\$ (1,168,574)	-12%	\$ 8,425,832	\$ (241,126)	-3%
61,338	52,461	8,877	17%	TAXATION FOR OPERATIONS	162,758	152,307	10,451	7%	144,374	\$ 18,384	13%
72,026	33,897	38,129	112%	OTHER	134,114	101,106	33,008	33%	81,934	\$ 52,180	64%
2,985,296	3,273,297	(288,001)	-9%	TOTAL OPERATING REVENUE	8,481,578	9,606,693	(1,125,115)	-12%	8,652,140	\$ (170,561)	-2%
				OPERATING EXPENSES							
1,598,863	1,623,577	24,714	2%	SALARIES	4,626,389	4,870,731	244,342	5%	4,282,888	\$ 343,501	-8%
392,718	362,571	(30,147)	-8%	EMPLOYEE BENEFITS	1,164,057	1,087,663	(76,394)	-7%	1,053,005	\$ 111,053	-11%
72,329	57,199	(15,130)	-26%	PROFESSIONAL FEES	221,914	170,915	(50,999)	-30%	249,199	\$ (27,285)	11%
248,717	241,714	(7,003)	-3%	SUPPLIES	694,519	725,142	30,623	4%	687,428	\$ 7,091	-1%
15,310	15,618	308	2%	REPAIRS AND MAINTENANCE	66,149	46,854	(19,295)	-41%	24,626	\$ 41,522	-169%
49,373	36,220	(13,153)	-36%	UTILITIES	127,581	108,660	(18,921)	-17%	112,730	\$ 14,851	-13%
266,937	208,092	(58,845)	-28%	PURCHASED SERVICES	733,272	624,276	(108,996)	-17%	542,638	\$ 190,634	-35%
14,179	10,431	(3,748)	-36%	INSURANCE	46,553	31,293	(15,260)	-49%	48,020	\$ (1,467)	3%
62,162	62,898	736	1%	LEASE AND RENTALS	177,176	188,694	11,518	6%	512,201	\$ (335,026)	65%
334,266	356,990	22,724	6%	DEPRECIATION	1,028,052	1,070,970	42,918	4%	831,754	\$ 196,298	-24%
62,335	44,553	(17,782)	-40%	OTHER	147,767	131,584	(16,183)	-12%	132,628	\$ 15,138	-11%
									\$ -		
3,117,189	3,019,863	(97,326)	-3%	TOTAL OPERATING EXPENSES	9,033,429	9,056,782	23,353	0%	8,477,119	\$ 556,310	-7%
									\$ -		
(131,893)	253,434	(385,327)	-152%	OPERATING INCOME	(551,850)	549,911	(1,101,761)	-200%	175,021	\$ (726,871)	-415%

Operations Consolidated (continued)

				ACTUAL vs BUDGET MARCH 2020							
CURRENT MONTH								YEAR TO DATE			
ACTUAL	BUDGET	VARIANCE	% VARIANCE		ACTUAL	BUDGET	VARIANCE	% VARIANCE	YTD Last Year	Variance Last Year	%Variance Last Year
										\$ -	
10,160	14,040	(3,880)	-28%	INVESTMENT INCOME, NET OF AMOUNT CAPITALIZED	35,667	40,761	(5,094)	-12%	42,881	\$ (7,214)	-17%
284,289	285,719	(1,430)	-1%	TAXATION FOR BOND PRINCIPAL & INTEREST	843,862	829,507	14,355	2%	819,636	\$ 24,227	3%
(464,682)	(465,138)	456	0%	INTEREST EXPENSE, NET OF AMOUNT CAPITALIZED	(1,394,748)	(1,394,313)	(435)	0%	(1,389,424)	\$ (5,324)	0%
(9,096)	(9,096)	(0)	0%	BOND ISSUANCE AND FINANCING COSTS	(27,289)	(27,288)	(1)	0%	(27,289)	\$ -	0%
9,479	10,590	(1,112)	-10%	OTHER NET	18,987	30,746	(11,759)	-38%	11,450	\$ 7,537	66%
										\$ -	
(169,850)	(163,885)	(5,965)	-4%	NON OPERATING, NET	(523,522)	(520,587)	(2,935)	-1%	(542,748)	\$ 19,226	-4%
										\$ -	
(301,744)	89,549	(391,293)	-437%	CHANGE IN NET POSITION	(1,075,372)	29,324	(1,104,696)	-3767%	(367,727)	\$ (707,645)	-192%
										\$ -	
-	-			NET POSITION BEGINNING OF YEAR	-	-	-		-	\$ -	
										\$ -	
\$ (301,744)	\$ 89,549	\$ (391,293)	-437%	NET POSITION	\$ (1,075,372)	\$ 29,324	\$ (1,104,696)	-3767%	\$ (367,727)	\$ (707,645)	-192%

04/29/20

BALANCE SHEET

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Snoqualmie Valley Hospital

Application Code : GL

User Login Name:carolynm

Consolidated Balance Sheet

MARCH 2020

DESCRIPTION	Current Year	Prior Year
	Actual	Actual
<hr/>		
ASSETS		
CURRENT ASSETS		
UNRESTRICTED CASH	5,429,287.16	7,117,986.17
RESERVE FUND LTGO 2011	2,510,853.61	1,858,126.48
RESERVE FUND LTGO	2,486,667.09	2,433,149.70
RESERVE FUND 2015 REVENUE BOND	3,675,187.50	3,675,187.50
INTEREST RESERVE 2015 REV BOND	0.00	0.00
	-----	-----
RESERVE FUNDS MANDATED	8,672,708.20	7,966,463.68
BOARD RESTRICTED FUNDS	102,276.62	102,276.62
	-----	-----
TOTAL CASH	14,204,271.98	15,186,726.47
ACCOUNTS RECEIVABLE	8,456,888.77	8,436,161.89
LESS A/R ALLOWANCES	1,834,889.09	2,517,450.43
NET PATIENT A/R	6,621,999.68	5,918,711.46
	-----	-----
COST REPORT RECEIVABLE	0.00	0.00
EMR MEANINGFUL USE RCVBL	197,176.84	197,176.84
	-----	-----
TOTAL NET RECEIVABLE	6,819,176.52	6,115,888.30
TAX RECEIVABLE	3,870,253.33	3,749,067.10
INVENTORY	238,254.89	119,016.22
PREPAID EXPENSES	103,019.81	114,052.05
INTANGIBLE ASSETS	2,207,185.38	2,316,342.30
OTHER RECEIVABLES	60,725.21	24,088.73
	-----	-----
TOTAL CURRENT ASSETS	27,502,887.12	27,625,181.17
FIXED ASSETS		
LAND AND IMPROVEMENTS	26,587,059.86	26,587,059.86
BUILDINGS	32,029,211.04	32,029,211.04
EQUIPMENT	12,421,630.29	12,325,333.26
RIGHT TO USE ASSET	1,884,667.31	0.00
ACCUMULATED DEPRECIATION	20,020,557.21	16,756,427.19
	-----	-----
NET FIXED ASSETS	52,902,011.29	54,185,176.97
	-----	-----
TOTAL ASSETS	80,404,898.41	81,810,358.14
	=====	=====

04/29/20

BALANCE SHEET

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Snoqualmie Valley Hospital

Application Code : GL

User Login Name:carolynn

Consolidated Balance Sheet

MARCH 2020

DESCRIPTION	Current Year	Prior Year
	Actual	Actual
<hr/>		
LIABILITIES AND FUND BALANCES		
CURRENT LIABILITIES		
NOTES PAYABLE	0.00	0.00
COST REPORT PAYABLE	147,392.00	1,876,451.00
ACCOUNTS PAYABLE	567,065.25	539,362.89
ACCRUED PAYROLL & TAXES	2,127,255.76	1,696,896.85
ACCRUED INTEREST	973,017.71	856,887.26
OTHER CURRENT LIABILITIES	-44,021.89	-8,349.48
CURRENT PORTION LONG TERM DEBT	1,379,583.32	1,806,250.00
DEFERRED TAX REVENUE	2,917,283.16	2,814,916.41
	-----	-----
TOTAL CURRENT LIABILITIES	8,067,575.31	9,582,414.93
LONG TERM LIABILITIES		
LTGO BONDS	45,600,000.00	45,805,000.00
REVENUE BONDS	46,333,321.10	47,163,321.10
LIABILITY RIGHT TO USE ASSET	1,890,480.59	0.00
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TOTAL LONG TERM LIABILITIES	93,823,801.69	92,968,321.10
	-----	-----
TOTAL LIABILITIES	101,891,377.00	102,550,736.03
NET INCOME/LOSS	-1,075,371.94	-367,726.88
EQUITY FUND BALANCE	-20,411,106.65	-20,372,651.01
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TOTAL EQUITY AND FUND BALANCE	80,404,898.41	81,810,358.14
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MEDICAL COMMITTEE OF THE BOARD

[by teleconference]

Date: May 5, 2020 4:00 – 5:00 pm



PARTICIPANTS: Commissioner Dariel Norris-chair; Commissioner Emma Herron, Kim Witkop, MD, CEO-int/CMO; Karyn Denton, COO/CNO; Patrick Ritter, CFO

ABSENT:

Community	<ul style="list-style-type: none">COVID drive-thru testing site remains open though utilization has slowed from initial in-building solution; no change in hours in anticipation of surge from relaxation of stay-at-home orders this month.Many generous expressions of support from community continueTesting extended to some surrounding long-term care facilities who have been instructed by the Dept of Health to test their entire population—we are able to leverage the same tools and processes established for drive-thru testing in these large-scale sample collection activities to make the experience efficient for all.																		
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Approved: _5/_7/_2020_

	Patient Transitions Service	<ul style="list-style-type: none"> Managing multiple referrals per day Discharges to LTC now more challenging Working with DSHS/HCA on long-term resident alternative placement—significant challenges encountered as in prior efforts
	Lab	<ul style="list-style-type: none"> In early review process for expansion of in-house testing menu for those higher volume tests currently sent out to reference lab Orders placed for necessary components to bring COVID testing in-house—awaiting delivery from manufacturer
	Off-line Services	<ul style="list-style-type: none"> Endo: [return to service after inpatient room upgrades completed] MRI: [return to service after conclusion of staff temporary furlough] Sleep: [return to service after inpatient room upgrades completed and Amer Society of Sleep Med supports return to testing] DEXA & Stress Echo: [return to service after overflow Xray room modifications to support these services are complete]
Clinics		<ul style="list-style-type: none"> Telemedicine encounters now represent 50% of clinic visits—all providers are engaged; patients incredibly appreciative Appointment day is divided into Well-time (first portion of day) and Sick-time (later portion of day) with a transition pause to allow all “well” visits to clear building. “Clinics are safe” will also be represented in public media campaign
Medical Staff	MEC & Med Cmmte Recommend -ations:	<ul style="list-style-type: none"> <u>Initial Privileging to Provisional Status:</u> <u>Extend Provisional Status 6 months:</u> <u>Transition from Provisional to Active:</u> <u>Transition from Provisional to Courtesy:</u> <u>Transition from Provisional to Telemedicine:</u> <u>Transition from Provisional to Affiliate:</u> <u>Renewal to Active Staff:</u> <ul style="list-style-type: none"> John Gray, MD (Family Med) <u>Renewal to Courtesy Staff:</u> <u>Renewal to Telemedicine:</u> <ul style="list-style-type: none"> Michael Peters, MD (TeleRad) David Westman, MD (TeleRad) <u>Renewal to Affiliate Staff:</u>
Other/ Education		<ul style="list-style-type: none"> Commissioner Herron requested the following topics be covered at Board Regular Work-Study in May: <ul style="list-style-type: none"> The unique rights and accesses afforded to a caregiver Review of consistency in execution of preventive measures across all SVH access sites Public education forum for COVID topics
Next Meeting		<ul style="list-style-type: none"> June 2nd 4:00-5:00pm East-West Conference room or Teleconference (TBD which forum when date nears)



FACILITIES COMMITTEE MEETING
MINUTES
April 27, 2020
Noon – 1:00 pm
Snoqualmie Valley Hospital
Via Teleconference

Committee Members:

Commissioner Kevin Hauglie, Chair
Commissioner Jen Carter
Karyn Denton, COO/CNO, Executive Chair
Kim Witkop, MD, Interim CEO/CMO
Patrick Ritter, CFO
Scott Nohavec, Facilities Director

Old Business: None

New Business:

1. **Maintenance Issues** - Replaced all filters in main air handler unit. This was due to added load from negative rooms and regular service is not until early summer.
2. **Facility Usage – As of March 2020**
 - a. Due to COVID-19 all external uses of the community room remain cancelled until further notice.
3. **Environment of Care:** Agenda format reflects categories covered in the EOC Management Plan

Emergency Management – External triage was called due to pandemic; this is being tracked through the COVID response task force meetings. There is daily reporting at the state and federal levels.

Fire Safety Management: 1st Quarter fire drills have been completed on schedule.

Hazardous Materials Waste Management: No report.

Medical Equipment Management – PPE supplies have stabilized and are at adequate level; mask conservation strategies remain in place. We have obtained UV light boxes which permit sanitization of masks and other small pieces of equipment. This will improve ability to reuse masks safely. These have been well received.

Physical Plant – COVID testing center has reopened as a “drive through” site, permitting staff to obtain patient samples from patient in vehicles. We are getting approximately 8-10 per day and supplies are adequate at this time.

Safe Patient Handling – No report

Safety Management - Adherence to CDC and DOH guidelines regarding visitors, staff and patients is continued. Safety Committee held a virtual meeting via e-mail. One outcome under the topic of Workplace Violence was to develop a response team for all reported events that include an employee injury.

Security Management – We remain vigilant to visitors entering premises and have added temp monitoring and mask distribution to all vendors entering the building.

Utilities management – No report.

East Campus: KCSAR has filed permits with the county and expect a 4-6 week approval process. No further update.

OTHER

1. **Certificate of Occupancy update-** Short list of outstanding items remains; landscaping underway. Awaiting quote on dredging of pond and clean-up, as well as update from Absher on the proposed changes to roundabout and curbs. That is expected before end of April.
2. **Reschedule May 25 meeting due to Memorial Day Holiday.** Viable dates were proposed and the rescheduled date will be Wednesday, May 27 at noon. Location TBD.
3. **Room Modification.** We have begun work with the original architects of the hospital to modify two rooms on the second floor that would be specifically for potential COVID patients or those patients under investigation. These would be negative pressure rooms. This would allow the Endoscopy service line to come back on line. There will be more specific information and plans to review next month.

Next meeting: Wednesday, May 27, 2020 - Noon – 1:00 pm – Location TBD

Approved: April 29, 2020

PUBLIC HOSPITAL DISTRICT NO. 4
KING COUNTY, WASHINGTON
RESOLUTION NO. 662-0520

A RESOLUTION of the Board of Commissioners of Public Hospital District No. 4, King County, Washington, (the District) authorizing the participation in and the approval of Interim District Superintendent and Chief Executive Officer of the District, Dr. Kim Witkop, on behalf of the Board of Commissioners, to submit and execute all applications, documents and agreements with the Northwest Bank and the Small Business Development Association (SBDA) related to the Paycheck Protection Program.

WHEREAS, the District, doing business as Snoqualmie Valley Hospital, owns and operates health care facilities in King County Washington; and

WHEREAS, on February 29, 2020, the Governor of the State of Washington issued Proclamation 20-05, proclaiming a State of Emergency for all counties throughout Washington state as a result of the coronavirus disease 2019 (COVID-19) outbreak in the United States and confirmed person-to-person spread of COVID-19 in Washington State; and

WHEREAS, the COVID-19 disease, caused by a virus that spreads easily from person to person which may result in serious illness or death and has been classified by the World Health Organization as a worldwide pandemic, has broadly spread throughout Washington State and is a significant health risk to all of our people, especially members the most vulnerable populations; and

WHEREAS, Section 1102 of the Coronavirus Aid, Relief, and Economic Security Act (the "CARES Act"), temporarily added a new product, titled the "Paycheck Protection Program" to the U.S. Small Business Administration's 7(a) Loan Program, and Section 1106 of the CARES Act provides for forgiveness of up to the full principal amount of qualifying loans guaranteed under the Paycheck Protection Program. Both sections are intended to provide economic relief to small businesses nationwide adversely impacted under the Coronavirus Disease 2019 (COVID-19) Emergency Declaration issued by the President of the United States on March 13, 2020; and

WHEREAS, the United States Small Business Development Association (SBDA) has created and offered to eligible entities loans implementing the Paycheck Protection Program under Division A, Title I of the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) (the Paycheck Protection Program Rule); and

WHEREAS, the intent of this program is to also keep employees employed during the pandemic and can be utilized to retain and rehire employees, and

WHEREAS, in order for the District to respond to the COVID-19 outbreak and current public health emergency, the District applied for the Paycheck Protection Program to access short-term cash flow assistance to help cover operating and payroll expenses, as attached and as provided for in Exhibit A; and

WHEREAS, the District meets the following eligibility requirements to participate in the Paycheck Protection Program:

- (1) The District has fewer than 500 employees whose principal place of residence is in the United States.
- (2) The District is a tax-exempt nonprofit organization described in Section 501(c)(3) of the Internal Revenue Code and exempt from taxation under Section 501(a) of the Internal Revenue Code. The Internal Revenue Service has determined the District is eligible to receive tax-deductible charitable contributions.
- (3) The District was in operation on February 15, 2020 and had employees for whom the District paid salaries and payroll taxes or paid independent contractors, as reported on a Form 1099-MISC.
- (4) The District does not engage in any activity that is illegal under federal, State or local law; is not a household employer; is not owned by any individual; and has not, nor has any business owned or controlled by the District, ever obtained a direct or guaranteed loan from the Small Business Administration or any other Federal agency that is currently delinquent or has defaulted with the last seven years and caused a loss to the government; and

WHEREAS, the loan is subject to the limited loan forgiveness provisions of Section 1106 of the CARES Act, and the SBA Interim Rule dated April 2, 2020; and

WHEREAS, the loan for purposes of entering the Payroll Protection Plan is to help cover operating and payroll expenses and shall therefore be subordinate to any other loans or obligations of the District to include any Limited Tax Governmental Obligations (LTGO); and

WHEREAS, the Board of Commissioners has determined that the District is eligible for such loans and that the current economic uncertainty makes this loan request necessary to support the ongoing operations of the District; and

WHEREAS, there will be material adverse financial and legal consequences to the District if this Resolution is not put in place as soon as possible; and

WHEREAS, the adoption of this Resolution is part of the necessary and routine business of the District and necessary to respond to the COVID-19 outbreak and the current public health emergency; and

WHEREAS, the Board of Commissioners has determined it is in the Hospital District's best interest and in the best interest in the District's residents and other persons served by the District to apply and participate in this program.

NOW THEREFORE, BE IT RESOLVED by the Board of Commissioners of Public Hospital District No. 4, of King County, Washington, the following:

Section 1. The Commission has reviewed Exhibit A and hereby approves and adopts the District's participation in the United States Small Business Development Association (SBDA) program of the Paycheck Protection Program under Division A, Title I of the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) (the Paycheck Protection Program Rule).

Section 2. The Interim Superintendent and Chief Executive Officer of the Hospital District, Dr. Kim Witkop, is hereby authorized to enter into and execute and deliver in the name of and on behalf of the District and its Board of Commissioners any and all applications, agreements and any and all acts or things that are deemed necessary or advisable as in her judgment may be necessary or desirable to carry out the transactions contemplated in connection with this Resolution in order to fully obtain loans through the Small Business Development Association (SBDA) Paycheck Protection Program. All actions taken prior to the effective date of this Resolution in furtherance of the purposes described in this resolution and not inconsistent with the terms of this Resolution are ratified and confirmed in all respects.

ADOPTED AND APPROVED by the Commission of Public Hospital District No. 4, King County, Washington, at a regular open public meeting thereof this 14th day of May, 2020, and the following Commissioners being present and voting in favor of the adoption of the resolution.

President and Commissioner

Commissioner

Commissioner

Commissioner

Secretary and Commissioner

CERTIFICATION

I, the undersigned, Secretary of the Commission of Public Hospital District No. 4, King County, Washington (the "District"), hereby certify as follows:

1. The attached copy of Resolution No. 662-0520 (the "Resolution") is a full, true and correct copy of a resolution duly adopted at a regular open public meeting of the Commission of the District held on May 14, 2020, as that resolution appears on the minute book of the District; and

2. That such meeting was duly convened and held in all respects in accordance with law; that a quorum was present throughout the meeting through telephonic, electronic, internet, or other means of remote access, and a majority of the members of the Commission of the District so present at the meeting voted in the proper manner for the adoption of the Resolution; and

3. That in accordance with Proclamation 20-28 by the Governor of the State of Washington dated March 24, 2020, (a) such meeting was not conducted in person, (b) one or more options were provided for the public to attend the such meeting remotely, including by telephone access, which mean(s) of access provided the ability for all persons attending the meeting remotely to hear each other at the same time, and (c) adoption of the Resolution is necessary and routine action of the Commission of the District; and

IN WITNESS WHEREOF, I have hereunto set my hand this 14th day of May 2020.

PUBLIC HOSPITAL DISTRICT NO. 4
KING COUNTY, WASHINGTON

Kevin Hauglie, Secretary of the Commission

EXHIBIT A

Public Hospital District No. 4, King County, Washington Paycheck Protection Program Loan Package

Northwest Bank ("Lender")
4900 SW Meadows Rd, Ste. 410
Lake Oswego, OR 97035

**PAYCHECK PROTECTION PROGRAM
NOTE**

Northwest Bank Loan Number	660292
SBA Loan Number	4983467110
Loan Date	4/13/2020
Loan Amount	\$3965000.00
Interest Rate	1.00%
Borrower (Address/City/ST/ZIP)	Public Hospital District No 4 King County WA 9801 FRONTIER AVE SE SNOQUALMIE, WA 98065- 5200

1. PROMISE TO PAY:

In return for the Loan, Borrower promises to pay to the order of Lender the Loan Amount, interest on the unpaid principal balance, and all other amounts required by this Note.

2. DEFINITIONS:

"Loan" means the loan evidenced by this Note.

"Loan Documents" means the documents related to this Loan signed by Borrower.

"SBA" means the Small Business Administration, an Agency of the United States of America.

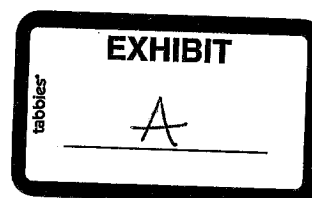
"CARES Act" means the federal Coronavirus Aid, Relief, and Economic Security Act enacted March 27, 2020 (Public Law 116-136).

"Paycheck Protection Program" means the Paycheck Protection Program under Section 7(a)(36) of the Small Business Act of 1953, as amended.

3. PAYMENT TERMS:

Borrower must make all payments at the place Lender designates. The payment terms for this Note are:

- A. The term of this Loan shall be two (2) years from the Loan Date ("Maturity Date").
- B. The Loan shall be payable monthly. The first six monthly payments are deferred.
- C. Interest will accrue from the date of Loan (including during the deferral period) at the Interest Rate set forth above.
- D. Payments will be required beginning seven months from the month this Note is dated until the Maturity Date.
 - (i) Your monthly payments will be an amount equal to the amount necessary to fully amortize the then-outstanding principal balance of the Loan (i.e., any portion of the Loan Amount that has not been forgiven as described in Section 10) at the Interest Rate specified above by the Maturity Date, with the entire outstanding principal balance and all accrued but unpaid interest due and payable on the Maturity Date.
 - (ii) Loan balance remaining following forgiveness by the SBA (as described below) will be fully reamortized over the remaining term of the Loan. The entire principal balance remaining unpaid, along with all accrued and unpaid interest, shall be due and payable on the Maturity Date.
- E. There are no prepayment penalties for the Loan. Borrower may repay all or a portion of this Loan at any time without penalty.
- F. The proceeds of the Loan shall be used for the following purposes only:
 - (i) payroll costs (as defined in the CARES Act, and in Section 2.f of the SBA *Interim Final Rule* dated April 2, 2020);
 - (ii) costs related to the continuation of group health care benefits during periods of paid sick, medical, or family leave, and insurance premiums;
 - (iii) mortgage interest payments (but not mortgage prepayments or principal payments);
 - (iv) rent payments;



(v) utility payments.

4. DEFAULT:

Borrower is in default under this Note if Borrower does not make a payment when due under this Note, or if Borrower:

- A. Fails to do anything required by this Note and other Loan Documents;
- B. Defaults on any other loan with Lender;
- C. Does not disclose, or anyone acting on their behalf does not disclose, any material fact to Lender or SBA;
- D. Makes, or anyone acting on their behalf makes, a materially false or misleading representation to Lender or SBA;
- E. Fails to pay any taxes when due;
- F. Becomes the subject of a proceeding under any bankruptcy or insolvency law;
- G. Has a receiver or liquidator appointed for any part of their business or property;
- H. Makes an assignment for the benefit of creditors;
- I. Except as provided in the CARES Act, has any adverse change in financial condition or business operation that Lender believes may materially affect Borrower's ability to pay this Note;
- J. Reorganizes, merges, consolidates, or otherwise changes ownership or business structure without Lender's prior written consent; or
- K. Becomes the subject of a civil or criminal action that Lender believes may materially affect Borrower's ability to pay this Note.

5. LENDER'S RIGHTS IF THERE IS A DEFAULT:

Without notice or demand and without giving up any of its rights, Lender may:

- A. Require immediate payment of all amounts owing under this Note;
- B. Collect all amounts owing from any Borrower; or
- C. File suit and obtain judgment.

6. LENDER'S GENERAL POWERS:

Without notice and without Borrower's consent, Lender may:

- A. Incur expenses to collect amounts due under this Note or enforce the terms of this Note or any other Loan Document, including reasonable attorneys' fees and costs. If Lender incurs such expenses, it may demand immediate payment from Borrower or add the expenses to the principal balance; and
- B. Release anyone obligated to pay this Note.

7. WHEN FEDERAL LAW APPLIES:

When SBA is the holder, this Note will be interpreted and enforced under federal law, including SBA regulations. Lender or SBA may use state or local procedures for filing papers, recording documents, giving notice, and other purposes. By using such procedures, SBA does not waive any federal immunity from state or local control, penalty, tax, or liability. As to this Note, Borrower may not claim or assert against SBA any local or state law or deny any obligation, defeat any claim of SBA, or preempt federal law.

8. SUCCESSORS AND ASSIGNS:

Under this Note, Borrower includes its successors and assigns, and Lender includes its successors and assigns.

9. GENERAL PROVISIONS:

- A. All individuals and entities signing this Note are jointly and severally liable.
- B. Borrower waives all suretyship defenses.
- C. Borrower must sign all documents necessary at any time to comply with the Loan Documents.
- D. Lender may exercise any of its rights separately or together, as many times and in any order it chooses. Lender may delay or forgo enforcing any of its rights without giving up any of them.
- E. Borrower may not use an oral statement of Lender or SBA to contradict or alter the written terms of this Note.
- F. If any part of this Note is unenforceable, all other parts remain in effect.
- G. To the extent allowed by law, Borrower waives all demands and notices in connection with this Note, including presentment, demand, protest, and notice of dishonor.
- H. Notwithstanding anything contained herein to the contrary, in the event that any terms in this Note conflict with any provisions in the CARES Act's Paycheck Protection Program, the parties shall be bound by the CARES Act and any implementing rules and regulations promulgated in connection therewith.

- I. As additional consideration for the Loan, the Borrower knowingly (and after having had an opportunity to consult their own legal counsel), consciously, intentionally and fully waive any and all claims, defenses, counterclaims or other charges, offsets or rights of action, known or unknown, contingent or direct, patent or latent, against Lender in any way, directly or indirectly, connected to or arising out of the transactions and activities which are covered by or associated with the Loan Documents, including but not limited to any claim that might exist because of any local, state or federal government agency promise relating to the Loan or loan forgiveness.

It is understood and agreed that Borrower has relied on his/her/its own judgment and has not been influenced to any extent whatsoever by Lender in taking out this Loan and has relied upon no representation or statement regarding the Loan or the Borrower's rights. Borrower acknowledges that he/she/it has been advised that it would be in his/her/its best interests to obtain independent legal advice regarding the Loan and rights thereunder and that he/she/it has been afforded a reasonable opportunity to do so.

10. LOAN FORGIVENESS:

Pursuant to the CARES Act, the following provisions shall apply to the Loan:

- A. The Loan is subject to the limited loan forgiveness provisions of Section 1106 of the CARES Act, and the SBA Interim Final Rule dated April 2, 2020.
- B. The amount of loan forgiveness is determined by and is subject to the sole approval of the SBA.
- C. Limited loan forgiveness is incurred by Borrower for amounts spent on payroll costs, rent and utilities payments, and interest payments on mortgages during the 8-week period beginning on the date of first disbursement of this loan. No more than 25.0% of the amount forgiven may be for costs other than payroll costs.
- D. The amount of loan forgiveness will be reduced if Borrower reduces the number of their employees (layoffs).
- E. The amount of forgiveness cannot exceed the principal balance of the Loan.
- F. Cancelled indebtedness will not be included in the Borrower's taxable income.
- G. To receive loan forgiveness, Borrower must apply for debt forgiveness through Lender. The Borrower must submit to the Lender servicing the loan an application, which must include documents verifying the number of full-time employees and the pay rates for the period described, including payroll tax filings to the IRS and State, income, payroll, and unemployment insurance filings, cancelled checks, payment receipts, transcript of accounts, or other documents verifying payments on covered mortgage loan obligations, lease obligations and utility payments, plus any other documentation the SBA deems necessary.
- H. *There will be no loan forgiveness without Borrower's submission of the proper application and documentation to Lender.*

11. AUTHORIZATION:

The undersigned officer of the Borrower is duly authorized to execute and deliver this Agreement and all Related Documents, and the performance by the Borrower of the transactions herein contemplated are and will be within its powers, have been duly authorized by all necessary entity action, and are not and will not be in contravention of any order of court or other agency of government, of law or, if applicable, its organizing or governing documents, or any indenture, agreement or undertaking to which it is a party or by which its property is bound, or be in conflict with, result in a breach of or constitute (with due notice and/or lapse of time) a default under any such indenture, agreement or undertaking or result in the imposition of any lien, charge or encumbrance of any nature on any of the properties of such Borrower.

12. STATE SPECIFIC PROVISION:

If Borrower is resident of Oregon:

UNDER OREGON LAW, MOST AGREEMENTS, PROMISES AND COMMITMENTS MADE BY BORROWER/US CONCERNING LOANS AND OTHER CREDIT EXTENSIONS WHICH ARE NOT FOR PERSONAL, FAMILY, OR HOUSEHOLD PURPOSES OR SECURED SOLELY BY GRANTOR'S/BORROWER'S RESIDENCE MUST BE IN WRITING, EXPRESS CONSIDERATION AND BE SIGNED BY AN AUTHORIZED REPRESENTATIVE OF BORROWER/US TO BE ENFORCEABLE.

If Borrower is resident of Washington:

ORAL AGREEMENTS OR ORAL COMMITMENTS TO LOAN MONEY, EXTEND CREDIT, OR TO FORBEAR FROM ENFORCING REPAYMENT OF A DEBT ARE NOT ENFORCEABLE UNDER WASHINGTON LAW.

If Borrower is resident of Idaho:

UNDER IDAHO LAW, ANY PROMISE BY THE BANK TO GRANT OR EXTEND EXISTING CREDIT TO YOU MUST BE IN WRITING TO BE LEGALLY BINDING UPON THE BANK IF THE ORIGINAL AMOUNT OF SUCH CREDIT IS \$50,000 OR MORE.

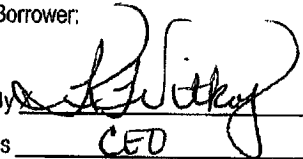
If Borrower is resident of Utah:

UNDER UTAH LAW, AN AGREEMENT BY A FINANCIAL INSTITUTION TO LEND OR MODIFY AN OBLIGATION TO REPAY MONEY, GOODS, OR THINGS IN ACTION, OTHERWISE EXTEND CREDIT, OR MAKE ANY OTHER FINANCIAL ACCOMMODATION IS VOID UNLESS THE AGREEMENT IS IN WRITING, EXPRESSES CONSIDERATION, SETS FORTH THE RELEVANT TERMS AND CONDITIONS, AND IS SIGNED BY THE PARTY AGAINST WHOM ENFORCEMENT WOULD BE SOUGHT.

13. BORROWER'S NAME(S) AND SIGNATURE(S):

By signing below, each individual or entity certifies that all authorized individual(s) or entity(ies) are signing on behalf of Borrower and becomes obligated under this Note as Borrower.

Borrower:

By 
Its CEO

Print Name Kim Wittkop

By X _____

Its _____

Print Name _____

By X _____

Its _____

Print Name _____

By X _____

Its _____

Print Name _____

Northwest Bank ("Lender")

4900 SW Meadows Rd, Ste. 410

Lake Oswego, OR 97035

**BUSINESS LOAN AGREEMENT AND
BORROWER'S CERTIFICATION**

Northwest Bank Loan Number	660292
SBA Loan Number	4983467110
Loan Date	4/13/2020
Loan Amount	\$3965000.00
Interest Rate	1.00%
Borrower (Address/City/ST/ZIP)	Public Hospital District No 4 King County WA 9801 FRONTIER AVE SE SNOQUALMIE, WA 98065- 5200

THIS BUSINESS LOAN AGREEMENT AND BORROWER'S CERTIFICATION is made and executed between ("Borrower"), as identified above, and NORTHWEST BANK ("Lender") on the following terms and conditions. Borrower has applied to Lender for a commercial loan pursuant to the Paycheck Protection Program (the "PPP") created by Section 1102 of the Coronavirus Aid, Relief, and Economic Security Act enacted March 27, 2020 (the "CARES Act") and governed by the CARES Act, section 7(a)(36) of the Small Business Act, any rules or guidance that has been issued by the Small Business Administration (the "SBA") implementing the PPP, or any other applicable loan program requirements, as defined in 13 CFR § 120.10, as amended from time to time (the "Loan"). Borrower understands and agrees that: (A) in granting, the Loan, Lender is relying upon Borrower's representations, warranties, and agreements as set forth in this Agreement; and (B) the granting of the Loan by Lender at all times shall be subject to Lender's sole judgment and discretion.

TERM. This Agreement shall be effective as of the Loan Date, and shall continue in full force and effect until such time as all of Borrower's Loans in favor of Lender have been paid in full, including principal, interest, costs, expenses, attorneys' fees, and other fees and charges, or until such time as the parties may agree in writing to terminate this Agreement.

CONDITIONS PRECEDENT TO EACH ADVANCE. Borrower acknowledges and agrees that the Loan may not be fully disbursed on the date hereof. Lender's obligation to make the initial Advance and each subsequent Advance under this Agreement shall be subject to the fulfillment to Lender's satisfaction of all of the conditions set forth in this Agreement and in the Related Documents.

Loan Documents. Borrower shall provide to Lender the following documents for the Loan: (1) the Note; (2) together with all such Related Documents as Lender may require for the Loan; all in form and substance satisfactory to Lender and Lender's counsel.

Borrower's Authorization. Borrower shall have provided in form and substance satisfactory to Lender properly certified resolutions, duly authorizing the execution and delivery of this Agreement, the Note and the Related Documents. In addition, Borrower shall have provided such other resolutions, authorizations, documents and instruments as Lender or its counsel, may require.

Payment of Fees and Expenses. Borrower shall have paid to Lender all fees, charges, and other expenses which are then due and payable as specified in this Agreement or any Related Document.

Representations and Warranties. The representations and warranties set forth in this Agreement, in the Related Documents, and in any document or certificate delivered to Lender under this Agreement are true and correct.

No Event of Default. There shall not exist at the time of any Advance a condition which would constitute an Event of Default under this Agreement or under any Related Document.

REPRESENTATIONS AND WARRANTIES. Borrower represents and warrants to Lender, as of the date of this Agreement, as of the date of each disbursement of loan proceeds, as of the date of any renewal, extension or modification of any Loan, and at all times any Indebtedness exists:

Organization. Borrower certifies that:

Borrower is duly organized, validly existing, and in good standing under and by virtue of the laws of the state in which it is formed. Borrower is duly authorized to transact business in all other states in which Borrower is doing business, having obtained all necessary filings, governmental licenses and approvals for each state in which Borrower is doing business. Specifically, Borrower is, and at all times shall be, duly qualified as a foreign limited liability company in all states in which the failure to so qualify would have a material adverse effect on its business or financial condition. Borrower has the full power and authority to transact the business in which it is presently engaged or presently proposes to engage. Borrower shall do all things necessary to preserve and to keep in full force and effect its existence, rights and privileges, and shall comply with all regulations, rules, ordinances, statutes, orders and decrees of any governmental or quasi-governmental authority or court applicable to Borrower and Borrower's business activities.

The undersigned officer of the Borrower is duly authorized to execute and deliver this Agreement and all Related Documents, and the performance by the Borrower of the transactions herein contemplated are and will be within its powers, have been duly authorized by all necessary entity action, and are not and will not be in contravention of any order of court or other agency of government, of law or, if applicable, its organizing or governing documents, or any indenture, agreement or undertaking to which it is a party or by which its property is bound, or be in conflict with, result in a breach of or constitute (with due notice and/or lapse of time) a default under any such indenture, agreement or undertaking or result in the imposition of any lien, charge or encumbrance of any nature on any of the properties of such Borrower.

Borrower employs no more than the greater of 500 or employees or, if applicable, the size standard in number of employees established by the SBA in 13 C.F.R. 121.201 for the Applicant's industry.

The Borrower was in operation on February 15, 2020 and had employees for whom it paid salaries and payroll taxes or paid independent contractors, as reported on Form(s) 1099-MISC.

Legal Activities. Borrower is not engaged in any activity that is illegal under federal, state or local law.

Authorization. Borrower's execution, delivery, and performance of this Agreement and all the Related Documents have been duly authorized by all necessary action by Borrower and do not conflict with, result in a violation of, or constitute a default under (1) any provision of (a) Borrower's articles of organization or membership agreements, or (b) any agreement or other instrument binding upon Borrower or (2) any law, governmental regulation, court decree, or order applicable to Borrower or to Borrower's properties.

Financial Information. Each of Borrower's financial statements supplied to Lender truly and completely disclosed Borrower's financial condition as of the date of the statement, and there has been no material adverse change in Borrower's financial condition subsequent to the date of the most recent financial statement supplied to Lender. Borrower has no material contingent obligations except as disclosed in such financial statements.

Legal Effect. This Agreement constitutes, and any instrument or agreement Borrower is required to give under this Agreement when delivered will constitute legal, valid, and binding obligations of Borrower enforceable against Borrower in accordance with their respective terms.

Litigation and Claims. No litigation, claim, investigation, administrative proceeding or similar action (including those for unpaid taxes) against Borrower is pending or threatened, and no other event has occurred which may materially adversely affect Borrower's financial condition or properties, other than litigation, claims, or other events, if any, that have been disclosed to and acknowledged by Lender in writing.

Taxes. To the best of Borrower's knowledge, all of Borrower's tax returns and reports that are or were required to be filed, have been filed, and all taxes, assessments and other governmental charges have been paid in full, except those presently being or to be contested by Borrower in good faith in the ordinary course of business and for which adequate reserves have been provided.

Binding Effect. This Agreement, the Note, and all Related Documents are binding upon the signers thereof, as well as upon their successors, representatives and assigns, and are legally enforceable in accordance with their respective terms.

Borrower's Certifications. Borrower hereby certifies and represents that:

Borrower is eligible to receive a loan under the rules in effect at the time the loan is made that have been issued by the SBA under the PPP.

Any loan received by the Borrower under Section 7(b)(2) of the Small Business Act between January 31, 2020 and April 3, 2020 was for a purpose other than paying payroll costs and other allowable uses loans under the Paycheck Protection Program Rule.

Current economic uncertainty makes this Loan request necessary to support the ongoing operations of the Borrower.

The Borrower will provide to the Lender documentation verifying the number of full-time equivalent employees on the Borrower's payroll as well as the dollar amounts of payroll costs, covered mortgage interest payments, covered rent payments, and covered utilities for the eight-week period following this loan.

Borrower may apply for forgiveness of the Loan in the amount equal to the sum of documented payroll costs, covered mortgage interest payments, covered rent payments, and covered utilities provided, that Borrower uses the proceeds as required and complies with the requirements for forgiveness as provided under the Paycheck Protection Program. Borrower acknowledges that no more than 25% of the Loan proceeds may be used for non-payroll costs in order for such Loan proceeds to be eligible for forgiveness.

During the period beginning on February 15, 2020 and ending on December 31, 2020, the Borrower has not and will not receive another loan under the PPP.

The information provided in the application and the information provided in all supporting documents and forms is true and accurate in all material respects. Borrower understands that knowingly making a false statement to obtain a guaranteed loan from SBA is punishable under the law, including under 18 USC 1001 and 3571 by imprisonment of not more than five years and/or a fine of up to \$250,000; under 15 USC 645 by imprisonment of not more than two years and/or a fine of not more than \$5,000; and, if submitted to a federally insured institution, under 18 USC 1014 by imprisonment of not more than thirty years and/or a fine of not more than \$1,000,000.

The Lender will confirm the eligible loan amount using required documents submitted. Borrower understands, acknowledges and agrees that the Lender can share any tax information that it has provided with SBA's authorized representatives, including authorized representatives of the SBA Office of Inspector General, for the purpose of compliance with SBA Loan Program Requirements and all SBA reviews.

AFFIRMATIVE COVENANTS. Borrower covenants and agrees with Lender that, so long as this Agreement remains in effect, Borrower will:

Notices of Claims and Litigation. Promptly inform Lender in writing of (1) all material adverse changes in Borrower's financial condition, and (2) all existing and all threatened litigation, claims, investigations, administrative proceedings or similar actions affecting Borrower which could materially affect the financial condition of Borrower.

Financial Records. Maintain its books and records in accordance with GAAP, applied on a consistent basis, and permit Lender to examine and audit Borrower's books and records at all reasonable times.

Financial Statements. Furnish Lender with such financial statements and other related information at such frequencies and in such detail as Lender may reasonably request within thirty (30) days of receipt of request.

Additional Information. Furnish such additional information and statements, as Lender may request from time to time.

Other Agreements. Comply with all terms and conditions of all other agreements, whether now or hereafter existing, between Borrower and any other party and notify Lender immediately in writing of any default in connection with any other such agreements.

Loan Proceeds. Use all Loan proceeds solely for (a) retain workers and maintain payroll and/or (b) make mortgage interest payments, lease payments, and utility payments, and for no other purpose(s) whatsoever. The Borrower understands that if the funds are knowingly used for unauthorized purposes, the federal government may hold the undersigned legally liable, such as for charges of fraud.

Performance. Perform and comply, in a timely manner, with all terms, conditions, and provisions set forth in this Agreement, in the Related Documents, and in all other instruments and agreements between Borrower and Lender. Borrower shall notify Lender immediately in writing of any default in connection with any agreement.

Operations. Maintain executive and management personnel with substantially the same qualifications and experience as the present executive and management personnel; provide written notice to Lender of any change in executive and

management personnel; conduct its business affairs in a reasonable and prudent manner.

Compliance with Governmental Requirements. Comply with all laws, ordinances, and regulations, now or hereafter in effect, of all governmental authorities applicable to the conduct of Borrower's properties, businesses and operations, and to the use or occupancy of the Collateral, including without limitation, the Americans With Disabilities Act. Borrower may contest in good faith any such law, ordinance, or regulation and withhold compliance during any proceeding, including appropriate appeals, so long as Borrower has notified Lender in writing prior to doing so and so long as, in Lender's sole opinion, Lender's interests in the Collateral are not jeopardized. Lender may require Borrower to post adequate security or a surety bond, reasonably satisfactory to Lender, to protect Lender's interest.

NEGATIVE COVENANTS. Borrower covenants and agrees with Lender that while this Agreement is in effect, Borrower shall not, without the prior written consent of Lender:

Indebtedness. Except for trade debt incurred in the normal course of business and indebtedness to Lender contemplated by this Agreement, create, incur or assume indebtedness for borrowed money, including capital leases),

Continuity of Operations. (1) Engage in any business activities substantially different than those in which Borrower is presently engaged, (2) cease operations, liquidate, merge or restructure as a legal entity (whether by division or otherwise), consolidate with or acquire any other entity, change its name, convert to another type of entity or redomesticate, dissolve or transfer or sell Collateral out of the ordinary course of business, or (3) make any distribution with respect to any capital account, whether by reduction of capital or otherwise.

Loans, Acquisitions and Guaranties. (1) Loan, invest in or advance money or assets to any other person, enterprise or entity, (2) purchase, create or acquire any interest in any other enterprise or entity, or (3) incur any obligation as surety or other than in the ordinary course of business.

Agreements. Enter into any agreement containing any provisions which would be violated or breached by the performance of Borrower's obligations under this Agreement or in connection herewith.

CESSATION OF ADVANCES. If Lender has made any commitment to make any Loan to Borrower, whether under this Agreement or under any other agreement, Lender shall have no obligation to make Loan Advances or to disburse Loan proceeds if: (A) Borrower or is in default under the terms of this Agreement or any of the Related Documents or any other agreement that Borrower has with Lender; (B) Borrower dies, becomes incompetent or becomes insolvent, files a petition in bankruptcy or similar proceedings, or is adjudged a bankrupt; (C) there occurs a material adverse change in Borrower's financial condition, in the financial condition of any , or in the value of any Collateral securing any Loan; or (E) Lender in good faith deems itself insecure, even though no Event of Default shall have occurred.

DEFAULT. Each of the following shall constitute an Event of Default under this Agreement:

Payment Default. Borrower fails to make any payment when due under the Loan.

Other Defaults. Borrower fails to comply with or to perform any other term, obligation, covenant or condition contained in this Agreement or in any of the Related Documents or to comply with or to perform any term, obligation, covenant or condition contained in any other agreement between Lender and Borrower.

Default in Favor of Third Parties. Borrower defaults under any loan, extension of credit, security agreement, purchase or sales agreement, or any other agreement, in favor of any other creditor or person that may materially affect any of Borrower's ability to repay the Loans or perform their respective obligations under this Agreement or any of the Related Documents.

False Statements. Any warranty, representation or statement made or furnished to Lender by Borrower or on Borrower's behalf under this Agreement or the Related Documents is false or misleading in any material respect, either now or at the time made or furnished or becomes false or misleading at any time thereafter.

Death or Insolvency. The dissolution of Borrower (regardless of whether election to continue is made), any member withdraws from Borrower, or any other termination of Borrower's existence as a going business or the death of any member, the insolvency of Borrower, the appointment of a receiver for any part of Borrower's property, any assignment for the benefit of creditors, any type of creditor workout, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Borrower.

Adverse Change. A material adverse change occurs in Borrower's financial condition, or Lender believes the prospect of payment or performance of the Loan is impaired.

Right to Cure. If any default, other than a default on Indebtedness, is curable and if Borrower , as the case may be, has not been given a notice of a similar default within the preceding twelve (12) months, it may be cured if Borrower, as the case

may be, after Lender sends written notice to Borrower, as the case may be, demanding cure of such default: (1) cure the default within fifteen (15) days; or (2) if the cure requires more than fifteen (15) days, immediately initiate steps which Lender deems in Lender's sole discretion to be sufficient to cure the default and thereafter continue and complete all reasonable and necessary steps sufficient to produce compliance as soon as reasonably practical.

EFFECT OF AN EVENT OF DEFAULT. If any Event of Default shall occur, except where otherwise provided in this Agreement or the Related Documents, all commitments and obligations of Lender under this Agreement or the Related Documents or any other agreement immediately will terminate (including any obligation to make further Loan Advances or disbursements), and, at Lender's option, all indebtedness immediately will become due and payable, all without notice of any kind to Borrower, except that in the case of an Event of Default of the type described in the "Insolvency" subsection above, such acceleration shall be automatic and not optional. In addition, Lender shall have all the rights and remedies provided in the Related Documents or available at law, in equity, or otherwise. Except as may be prohibited by applicable law, all of Lender's rights and remedies shall be cumulative and may be exercised singularly or concurrently. Election by Lender to pursue any remedy shall not exclude pursuit of any other remedy, and an election to make expenditures or to take action to perform an obligation of Borrower or shall not affect Lender's right to declare a default and to exercise its rights and remedies.

MISCELLANEOUS PROVISIONS. The following miscellaneous provisions are a part of this Agreement:

Amendments. This Agreement, together with any Related Documents, constitutes the entire understanding and agreement of the parties as to the matters set forth in this Agreement. No alteration of or amendment to this Agreement shall be effective unless given in writing and signed by the party or parties sought to be charged or bound by the alteration or amendment.

Arbitration. Borrower and Lender agree that all disputes, claims and controversies between them whether individual, joint, or class in nature, arising from this Agreement or otherwise, including without limitation contract and tort disputes, shall be arbitrated pursuant to the Rules of the American Arbitration Association in effect at the time the claim is filed, upon request of either party. No act to take or dispose of any Collateral shall constitute a waiver of this arbitration agreement or be prohibited by this arbitration agreement. This includes, without limitation, obtaining injunctive relief or a temporary restraining order; invoking a power of sale under any deed of trust or mortgage; obtaining a writ of attachment or imposition of a receiver; or exercising any rights relating to personal property, including taking or disposing of such property with or without judicial process pursuant to Article 9 of the Uniform Commercial Code. Any disputes, claims, or controversies concerning the lawfulness or reasonableness of any act, or exercise of any right, concerning any Collateral, including any claim to rescind, reform, or otherwise modify any agreement relating to the Collateral, shall also be arbitrated, provided however that no arbitrator shall have the right or the power to enjoin or restrain any act of any party. Judgment upon any award rendered by any arbitrator may be entered in any court having jurisdiction. Nothing in this Agreement shall preclude any party from seeking equitable relief from a court of competent jurisdiction. The statute of limitations, estoppel, waiver, laches, and similar doctrines which would otherwise be applicable in an action brought by a party shall be applicable in any arbitration proceeding, and the commencement of an arbitration proceeding shall be deemed the commencement of an action for these purposes. The Federal Arbitration Act shall apply to the construction, interpretation, and enforcement of this arbitration provision.

Indemnification. Borrower agrees to indemnify Lender and hereby holds Lender harmless against any and all claims, actions, suits, proceedings, costs, expenses, brokerage or other fees, including reasonable attorneys' fees, losses, damages and liabilities of any kind, including in tort, penalties and interest, which Lender may incur in any manner other than Lender's own gross negligence or willful misconduct, by reason of any matter relating, directly or indirectly, to the Loan and the Loan Documents, including, but in no way limited to, without limitation, the calculation of the maximum Loan amount or the amount of the Loan that qualifies as eligible for forgiveness.

Attorneys' Fees; Expenses. Borrower agrees to pay upon demand all of Lender's costs and expenses, including Lender's reasonable attorneys' fees and Lender's legal expenses, incurred in connection with the enforcement of this Agreement. Lender may hire or pay someone else to help enforce this Agreement, and Borrower shall pay the costs and expenses of such enforcement. Costs and expenses include Lender's reasonable attorneys' fees and legal expenses whether or not there is a lawsuit, including reasonable attorneys' fees and legal expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), appeals, and any anticipated post-judgment collection services. Borrower also shall pay all court costs and such additional fees as may be directed by the court.

Caption Headings. Caption headings in this Agreement are for convenience purposes only and are not to be used to interpret or define the provisions of this Agreement.

Governing Law. This Agreement will be governed by federal law applicable to Lender and, to the extent not

preempted by federal law, the laws of the State of Idaho without regard to its conflicts of law provisions. This Agreement has been accepted by Lender in the State of Idaho.

Choice of Venue. If there is a lawsuit, Borrower agrees upon Lender's request to submit to the jurisdiction of the courts of ADA County, State of Idaho.

No Waiver by Lender. Lender shall not be deemed to have waived any rights under this Agreement unless such waiver is given in writing and signed by Lender. No delay or omission on the part of Lender in exercising any right shall operate as a waiver of such right or any other right. A waiver by Lender of a provision of this Agreement shall not prejudice or constitute a waiver of Lender's right otherwise to demand strict compliance with that provision or any other provision of this Agreement. No prior waiver by Lender, nor any course of dealing between Lender and Borrower, shall constitute a waiver of any of Lender's rights or of any of Borrower's as to any future transactions. Whenever the consent of Lender is required under this Agreement, the granting of such consent by Lender in any instance shall not constitute continuing consent to subsequent instances where such consent is required and in all cases such consent may be granted or withheld in the sole discretion of Lender.

Notices. Any notice required to be given under this Agreement shall be given in writing, and shall be effective when actually delivered, when actually received by telefacsimile (unless otherwise required by law), when deposited with a nationally recognized overnight courier, or, if mailed, when deposited in the United States mail, as first class, certified or registered mail postage prepaid, directed to the addresses shown near the beginning of this Agreement. Any party may change its address for notices under this Agreement by giving formal written notice to the other parties, specifying that the purpose of the notice is to change the party's address. For notice purposes, Borrower agrees to keep Lender informed at all times of Borrower's current address. Unless otherwise provided or required by law, if there is more than one Borrower, any notice given by Lender to any Borrower is deemed to be notice given to all Borrowers.

Severability. If a court of competent jurisdiction finds any provision of this Agreement to be illegal, invalid, or unenforceable as to any circumstance, that finding shall not make the offending provision illegal, invalid, or unenforceable as to any other circumstance. If feasible, the offending provision shall be considered modified so that it becomes legal, valid and enforceable. If the offending provision cannot be so modified, it shall be considered deleted from this Agreement. Unless otherwise required by law, the illegality, invalidity, or unenforceability of any provision of this Agreement shall not affect the legality, validity or enforceability of any other provision of this Agreement.

Subsidiaries and Affiliates of Borrower. To the extent the context of any provisions of this Agreement makes it appropriate, including without limitation any representation, warranty or covenant, the word "Borrower" as used in this Agreement shall include all of Borrower's subsidiaries and affiliates. Notwithstanding the foregoing however, under no circumstances shall this Agreement be construed to require Lender to make any Loan or other financial accommodation to any of Borrower's subsidiaries or affiliates.

Successors and Assigns. All covenants and agreements by or on behalf of Borrower contained in this Agreement or any Related Documents shall bind Borrower's successors and assigns and shall inure to the benefit of Lender and its successors and assigns. Borrower shall not, however, have the right to assign Borrower's rights under this Agreement or any interest therein, without the prior written consent of Lender.

Survival of Representations and Warranties. Borrower understands and agrees that in making the Loan, Lender is relying on all representations, warranties, and covenants made by Borrower in this Agreement or in any certificate or other instrument delivered by Borrower to Lender under this Agreement or the Related Documents. Borrower further agrees that regardless of any investigation made by Lender, all such representations, warranties and covenants will survive the making of the Loan and delivery to Lender of the Related Documents, shall be continuing in nature, and shall remain in full force and effect until such time as Borrower's Indebtedness shall be paid in full, or until this Agreement shall be terminated in the manner provided above, whichever is the last to occur.

Time is of the Essence. Time is of the essence in the performance of this Agreement.

Waive Jury. All parties to this Agreement hereby waive the right to any jury trial in any action, proceeding, or counterclaim brought by any party against any other party.

DEFINITIONS. The following capitalized words and terms shall have the following meanings when used in this Agreement. Unless specifically stated to the contrary, all references to dollar amounts shall mean amounts in lawful money of the United States of America. Words and terms used in the singular shall include the plural, and the plural shall include the singular, as the context may require. Words and terms not otherwise defined in this Agreement shall have the meanings attributed to such terms in the Uniform Commercial Code. Accounting words and terms not otherwise defined in this Agreement shall have the meanings assigned to them in accordance with generally accepted accounting principles as in effect on the date of this Agreement:

Advance. The word "Advance" means a disbursement of Loan funds made, or to be made, to Borrower or on Borrower's behalf on a line of credit or multiple advance basis under the terms and conditions of this Agreement.

Agreement. The word "Agreement" means this Business Loan Agreement, as this Business Loan Agreement may be amended or modified from time to time, together with all exhibits and schedules attached to this Business Loan Agreement from time to time.

Borrower. The word "Borrower" means the Borrower identified above and includes all co-signers and co-makers signing the Note and all their successors and assigns.

Event of Default. The words "Event of Default" mean any of the events of default set forth in this Agreement in the default section of this Agreement.

GAAP. The word "GAAP" means generally accepted accounting principles.

Indebtedness. The word "Indebtedness" means the indebtedness evidenced by the Note or Related Documents, including all principal and interest together with all other indebtedness and costs and expenses for which Borrower is responsible under this Agreement or under any of the Related Documents.

Lender. The word "Lender" means NORTHWEST BANK, its successors and assigns.

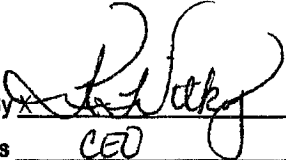
Loan. The word "Loan" means any and all loans and financial accommodations from Lender to Borrower whether now or hereafter existing, and however evidenced, including without limitation those loans and financial accommodations described herein or described on any exhibit or schedule attached to this Agreement from time to time.

Note. The word "Note" means the Paycheck Protection Program Note executed by Borrower, together with all renewals of, extensions of, modifications of, refinancings of, consolidations of, and substitutions for the note or credit agreement.

Related Documents. The words "Related Documents" mean all promissory notes, credit agreements, loan agreements, and all other instruments, agreements and documents, whether now or hereafter existing, executed in connection with the Loan.

BORROWER ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS BUSINESS LOAN AGREEMENT AND BORROWER AGREES TO ITS TERMS.

BORROWER: By signing below, each individual or entity certifies that all authorized individual(s) or entity(ies) are signing on behalf of Borrower.

By X 
Its CEO
Print Name Kim Witkop

By X
Its _____
Print Name _____

By X
Its _____
Print Name _____

By X
Its _____
Print Name _____

SBA FORM 1050, SETTLEMENT SHEET

Purpose: The purpose of this form is to document and verify that loan proceeds have been disbursed in accordance with the Authorization and to document that the Borrower's contribution has been injected into the business prior to the Lender disbursing any loan proceeds.

General Instructions: This form may be used for all 7(a) loans and for all disbursements. It must be used for the first disbursement on all standard 7(a) loans over \$350,000.

This form is to be completed by the Lender and signed by the Lender and the Borrower at the time of the initial loan disbursement. The Lender must retain a copy of the signed form in its loan file. For all disbursements, the Lender must also retain documentation that is acceptable to SBA (such as joint payee checks, cancelled checks, paid receipts or invoices, wire transfer account records, etc.) and that evidences compliance with the Use of Proceeds section of the Authorization.

The Lender must submit the completed form and all supporting documentation to SBA upon request, or, in the event of a loan default, with the Lender's request for guaranty purchase. Providing this information is required to comply with program requirements; failure to provide it when required may impair the Lender's ability to collect on the SBA loan guaranty.

If additional space is required to complete the form or provide additional details please attach a separate sheet.

Specific Instructions for Completing the Form:

- 1) In the first section, fill in all identifying information. For "Loan Type," check the box to indicate whether the loan is a term loan or a revolving line of credit.
- 2) Complete the "Use of Proceeds" section with information related to the initial disbursement.
 - a) On the line associated with each applicable use of proceeds, indicate:
 - i) The name of the payee (must identify the ultimate recipient, not an intermediary such as a title company);
 - ii) Amount disbursed; and
 - iii) Remaining amount to be disbursed, in accordance with the Authorization.
 - b) For the "Settlement charges/out of pocket costs" line, insert total amount of settlement charges and other out of pocket costs in the appropriate field within the grid. Attach an itemized list of all charges and costs, including the name of payee and amount paid for each charge or cost. Reminder: SBA Form 159 is required for all fees paid or to be paid by the Lender (except Lender Service Provider fees) and for all fees paid or to be paid by the Applicant to any agent in connection with the SBA loan application.)
 - c) For "Other (Explain)," enter any other use of proceeds authorized in the Authorization that is not already listed in the grid, if applicable.
- 3) Complete the "Borrower's Injection" section.
 - a) For each type of injection, indicate the source.
 - b) If the Seller contributed toward required equity, attach a copy of the Note and evidence of full standby for the life of the loan.
 - c) Note: The Borrower's Injection must be in the business bank account prior to any disbursement of loan proceeds.
- 4) The Lender and the Borrower must review the certification and execute the form in the space provided.

U.S. Small Business Settlement Sheet				OMB APPROVAL NO.: 3245-0200 EXPIRATION DATE: 04/30/2022
SBA Loan Number 4983467110		Lender Name Northwest Bank	Lender FIRS Number 7080243	
SBA Loan Name Public Hospital District No 4 King County WA			Note Amount \$3965000.00	
Loan Type: <input checked="" type="checkbox"/> Term Loan	<input type="checkbox"/> Line of Credit	Disbursement Type: <input type="checkbox"/> First Disbursement	<input type="checkbox"/> Subsequent Disbursement	<input checked="" type="checkbox"/> Full Disbursement

Authorized Use of Proceeds:	Name of Payee:	Amount Disbursed:	Authorized Amount Remaining:
Land Acquisition: Raw Improved		\$ -	\$ -
Construction: New Expansion/Renovation		\$ -	\$ -
Leasehold Improvements to property owned by others		\$ -	\$ -
Machinery & Equipment		\$ -	\$ -
Furniture & Fixtures		\$ -	\$ -
Inventory Purchase		\$ -	\$ -
Working Capital		\$ -	\$ -
Acquire Business (Change of Ownership)		\$ -	\$ -
SBA Guarantee Fee		\$ -	\$ -
Settlement Charges/Out of Pocket Costs		\$ -	\$ -
Other (Explain):	PPP Loan - Covid-19 Related	\$3965000.00	\$ -
Total:		\$3965000.00	\$ -

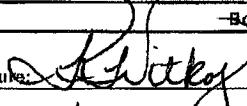
Borrower's Injection (including any deposit or earnest money):		
Cash	Source: n/a	\$ -
Assets	Source: n/a	\$ -
Seller contribution toward required equity (on full standby for life of loan)		\$ -
Other (Explain):		\$ -
Total Borrower Injection:		\$ -

At the time of completion of this form, the Lender and the Borrower certify that:

- The loan proceeds were disbursed and received and will be used in accordance with the Use of Proceeds section of the Authorization, including any and all SBA/Lender approved modifications, and that all required equity or Borrower injections have been made in accordance with the Authorization and any approved modifications; and
- There has been no unremedied adverse change in the Borrower's or Operating Company's financial condition, organization, management, operations or assets since the date of application that would warrant withholding or not making this disbursement or any further disbursement.

At the time of each subsequent disbursement on this loan, the Lender, by disbursing the loan proceeds, and the Borrower by receiving them, are deemed to certify that the above certifications are true with respect to each and every disbursement made.

WARNING: By signing below you are certifying that the above statements are accurate to the best of your knowledge. Submitting false information to the Government may result in criminal prosecution and fines up to \$250,000 and/or imprisonment for up to 5 years under 18 USC § 1001. Submitting false statements to a Federally insured institution may result in fines up to \$1,000,000 and/or imprisonment for up to 30 years under 18 USC § 1014, penalties under 15 USC § 645, and/or civil fraud liability.

Authorized Lender Official	Borrower
Signature:	Signature: 
Print Name: Buck Marshall	Print Name: Kim Witkop
Title: President SBA & INW Divisions	Title: CEO/CMO
Date:	Date: 4.21.2020

NOTE: According to the Paperwork Reduction Act, you are not required to respond to this collection of information unless it displays a currently valid OMB Control Number. The estimated burden for completing this form, including time for reviewing instructions, and gathering data needed, is 30 minutes. Comments or questions on the burden estimates or other aspects of this information collection

should be sent to U.S. Small Business Administration, Director, RMD, 409 3rd St., SW, Washington DC 20416 and/or SBA Desk Officer, Office of Management and Budget, New Executive Office Building, Rm. 10202, Washington DC 20503. **PLEASE DO NOT SEND THE COMPLETED FORMS TO THESE ADDRESSES.**



Public Hospital District No. 4, King County
www.snoqualmiehospital.org

**Snoqualmie Valley
Hospital**
9801 Frontier Ave. SE
Snoqualmie, WA 98065
425.831.2300

**Snoqualmie Valley
Hospital Clinic**
(Specialty & Primary Care)
9801 Frontier Ave. SE
Snoqualmie, WA 98065
425.831.2313

**Snoqualmie Hospital
Rehabilitation Clinic**
9801 Frontier Ave. SE
Snoqualmie, WA 98065
425.831.2376

**Snoqualmie Ridge
Medical Clinic**
35020 SE Kinsey Street
Snoqualmie, WA 98065
425.396.7682

CEO/Superintendent's Report

To: Snoqualmie Valley Hospital Board of Commissioners

Date: May 14, 2020

- Affiliation update: As reported in preceding Affiliation Work Study
- We are in the midst of celebrating National Hospital appreciation week; the celebration has been scaled back from prior years in consideration of the current circumstances and to be consistent with social distancing. Two days' events were sponsored by local vendors—The Club at Snoqualmie Ridge and the North Bend Bakery—which helped us greatly with the total cost.
- COVID: We continue to have use of our drive-thru testing site which increased in the past week and may reflect laxity of community compliance with stay at home directives. We also have delivered testing into several large long-term care facilities for their residents and staff. In quick response to our significantly decreased clinic and outpatient volumes in April we have implemented voluntary full and partial furloughs and PTO's in May to assist in recovering some balance. We are now experiencing recovery of clinic and outpatient visits so furloughs are not anticipated to continue into June. The two remodel projects which will quadruple the number of negative airflow rooms on the inpatient unit from one to four and the second project will bring two alternative treatment spaces to become capable to serve as two additional patient rooms are now in the permitting process with the city while contractor selection simultaneously occurs. Finally we continue to leverage tele-solutions to accomplish family connections while visitations continue to be restricted.
- On tonight's agenda is a resolution to support our application for the SBA loan offered under the Payroll Protection Program as part of the CARES Act. While this is a forgivable loan when compliance with the guidelines is demonstrated and because it initiates as a liability, a governing board resolution is required for compliance. We anticipate no challenges to our compliance.
- On a final unpleasant note in case you are directly contacted, we have received two public records requests from a single community member who is making maligning accusations against former SVH executives and Snoqualmie city council members and additionally attributing information to "a board member". The accusations are unsubstantiated and the requests have received timely response.

Respectfully submitted,
~Kim Witkop, MD