

COMMONWEALTH OF PENNSYLVANIA  
DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT

SECOND AMENDMENT TO CONTRACT NO. C000048723

This contractual Agreement entered into by and between the **Commonwealth of Pennsylvania, Department of Community and Economic Development**, hereinafter referred to as the "**Grantor**", and the

**WASHINGTON COUNTY HOSPITAL AUTHORITY**  
15 W. Beau Street  
Washington, PA 15301

hereinafter referred to as the "**Grantee**" party of the second part.

WITNESSETH:

WHEREAS, the **Grantor** has a Contract with the **Grantee**, and

WHEREAS, the **Grantor** wishes to amend the Contract to allow the **Grantee** to carry out the scope of services, and

NOW, THEREFORE, the parties hereto intending to be legally bound do hereby agree to the following:

1. The termination date of this Contract, as amended, will be JUNE 30, 2014.
2. The Contract Activity Period, as amended, will be APRIL 19, 2010 to JUNE 30, 2014.
3. Those programmatic changes and modification detailed in Appendix A & B.
4. The amount of this Budget Amendment is THREE HUNDRED THOUSAND DOLLARS (\$300,000.00) AND NO CENTS-----. The total amount of this Contract as amended will be NINE HUNDRED THOUSAND DOLLARS (\$900,000.00) AND NO CENTS-----.
5. All terms and conditions of this Contract not changed or modified by this Amendment shall remain in full force and effect.

IN WITNESS WHEREOF the parties hereunto have set their hands and seals on:

WITNESS:

WASHINGTON COUNTY HOSPITAL  
AUTHORITY

Vendor Number  
Federal Identification Number

For Commonwealth signatures only

Commonwealth of Pennsylvania  
Acting through the  
Department of Community and  
Economic Development

GRANTEE: Please sign & complete at "X's" only

X By Steve Crossgate (Seal)  
X Title Chairman  
X Date 1-7-2012

  
Secretary/Deputy Secretary 1/30/12  
Date

Approved:

I hereby certify that funds in the amount of  
**\$300,000** are available under Appropriations  
Symbol:

1085611000 24410040006600400 - \$300,000

Program IFIP  
Contract No. C000048723

Comptroller approved as to fiscal responsibility,  
budgetary appropriateness and availability of  
funds:

X By John G. Grigoriu  
X Title Treasurer  
X Date 1/3/12

For Commonwealth signatures only

Approved as to Legality and Form

  
Comptroller 2/6/12  
Date

[Signature] 1/24/12  
Office of Chief Counsel Date

Preapproved Form# 4-K-4300  
Office of General Counsel Date

Preapproved Form # 4-K-4300  
Office of Attorney General Date



COMMONWEALTH OF PENNSYLVANIA  
DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT  
HARRISBURG, PA 17120

OFFICE OF SECRETARY

April 19, 2010

Robert N. Clarke, Esquire  
Washington County Hospital Authority  
15 West Beau Street  
Washington, PA 15301

RE: Infrastructure and Facilities Improvement  
Program ("IFIP")  
Grant: \$6,000,000  
Washington Hospital Expansion & Renovation

Dear Mr. Clarke:

I am pleased to inform Washington County Hospital Authority (*the "Applicant"*) that the Department of Community and Economic Development (*the "Department"*) has approved your Infrastructure and Facilities Improvement Program ("IFIP") application (*the "Application"*) for a multi-year grant totaling an amount not to exceed Six Million Dollars (\$6,000,000) (*the "Grant"*), as allocated in Schedule A. The Application has been approved based upon and in accordance with the terms and the representations made therein.

The Grant will be governed by the terms of a Grant Agreement to be executed between the Applicant and the Department. The proceeds of the Grant will be used for costs identified in Schedule B directly relating to the project described in the Application (*the "Project"*). The following conditions shall apply to the Grant offer:

1. The Applicant has paid as of the date the Applicant signs this commitment letter and will timely pay all Commonwealth and local taxes and fees due and owing during the term of the Grant Agreement. A local government unit as defined under 53 Pa. C.S. Pt. VII Subpt. B (relating to indebtedness and borrowing) or an issuing authority may enter into an agreement or adopt an ordinance or resolution to permit the local government unit or issuing authority to pay, waive, abate, settle, compromise or reimburse any local tax, fee or other imposition applicable to a project user imposed by any local government unit or issuing authority. The agreement, ordinance or resolution shall not affect the eligibility of an applicant or a project to receive a grant under this chapter.

APPENDIX A & B  
Contract # C000048723

2. The Applicant will use the Grant funds to pay debt service for the Project. In the event the Applicant fails to do so, the Applicant will repay all or any portion of the Grant funds not used to pay debt service for the Project.
3. Grant funds received in any one year may not exceed the debt service on the Project for that year. In the event Grant funds received in any one year exceed the debt service on the Project for that year, the Applicant will repay the amount of Grant funds received in that year which exceed the payment on debt service for that year.
4. The Applicant will pay the full amount of annual debt service for the Project, regardless of the amount of the Grant received and must provide to the Department evidence of such payment within twelve months from the date of the incurrence of the debt.
5. If the Grant is awarded for more than four years, the Applicant must in year five and each year thereafter in which the Applicant is receiving Grant funds demonstrate to the satisfaction of the Department, the Secretary of the Budget and the Department of Revenue that the sales tax, hotel occupancy tax, and the net increase in personal income tax to be collected or withheld for the Project in the upcoming year are anticipated to be equal to or exceed the amount of the Grant awarded in the previous year, in order to receive the amount of Grant funds allocated. If the Commonwealth determines that the tax revenues are equal to or exceed the amount of the Grant funds received in the previous year, then the Applicant shall receive the amount of Grant funds allocated in Schedule A for that upcoming year. If the Commonwealth determines that the tax revenues do not equal or exceed the amount of Grant funds received in the previous year, then the Applicant shall receive Grant funds in an amount that is equal to the anticipated tax revenues specified for that upcoming year.
6. If sufficient funds are not appropriated to the Department to cover the amount of Grant funds allocated in Schedule A for any specified year, the Department shall prorate the payment of IFIP grant funds for that year among all recipients of IFIP grant funding to whom an annual payment of grant funds is due.
7. The Washington Health Care Services, Inc. (the "Project User") will use the Project during the term of the Grant Agreement. In the event the Project User fails to do so, the Applicant will cause the Project User to repay all or any portion of the Grant.
8. The Project User will pay to the Applicant a sum equal to any payments received by the Project User from third parties for infrastructure which is part of the Project during the term of the Grant Agreement. Any such payment received by the Applicant will be applied to payment of the debt service for the Project.
9. The Applicant must comply with IFIP guidelines.
10. The Applicant may not make or authorize any substantial change in the approved Project without first obtaining the written consent of the Department.

11. The Applicant will maintain full and accurate records with respect to the Project. The Department shall have free access to such records and to inspect all Project work, and other relative data and records. The Applicant must furnish upon request of the Department all data, reports, contracts, documents, and other information relevant to the Project as may be requested.
12. Upon the issuance of the debt for which funding is being provided under this Contract, the Contractor shall submit to the Department a final debt structure showing the maturity date. Every six months thereafter, the Contractor shall submit to the Department updated debt structure information including the outstanding balance of the debt."
13. The Pennsylvania Prevailing Wage Act (43 P.S. § 165-1 et seq.; 34 Pa. Code § 9.101 et seq.) may be applicable to this Project. If applicable, the Grant Recipient is responsible for including prevailing wage rates in all bid documents, specifications, and construction contracts pertaining to the Project. The Department of Labor and Industry (L&I) has final authority to make all prevailing wage applicability determinations. A copy of this letter is being forwarded to L&I for a formal determination of applicability of prevailing wage requirements.

Please Note: Prevailing Wage requirements are generally applicable to grants for construction, demolition, reconstruction, alteration, repair work, renovations, build-out and installation of machinery and equipment in excess of \$25,000.00. Any questions as to final prevailing wage obligations should be directed to the Bureau of Law Compliance at 1 (800) 932-0665.

Exhibit A further describes the procedure to access the IFIP grant funds after all of the necessary conditions are met.

This commitment must be signed and returned to the Department within forty-five (45) days of the date of the commitment letter. Please indicate your written acceptance by returning the original Commitment Letter fully executed. Thereafter, this commitment shall be null and void.

The Department of Community and Economic Development requires all Project Users to submit the attached form annually to the Department of Revenue within thirty (30) days after the April 15<sup>th</sup> tax deadline, or within thirty (30) days after a project user's tax deadline extension, whichever occurs later. The completed form should be sent to the following address:

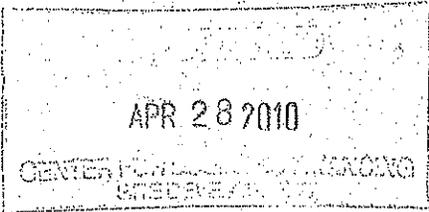
Mailing Address  
Business Trust Fund Taxes  
Attention: Matthew Forti  
P.O. Box 280900  
9<sup>th</sup> Floor Strawberry Square  
Harrisburg, PA 17128-0900

Contact Information  
Mr. Matthew Forti  
Pennsylvania Department of Revenue  
Bureau of Business Trust Fund Taxes  
[mforti@state.pa.us](mailto:mforti@state.pa.us)  
717-772-3896

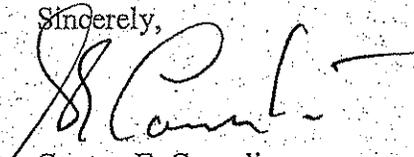
Mr. Clarke  
April 19, 2010  
Page 4

Project Users awarded IFIP grant funds based on sales tax revenue generated by retail tenants need to ensure that their tenants file this form annually by the deadline. Failure to complete the report and submit it to the Department of Revenue may result in the forfeiture of all or a portion of the IFIP grant.

The signed Commitment Letter should be returned to Brian D. Eckert, Director, Site Development Division, Center for Business Financing, 4<sup>th</sup> Floor, Commonwealth Keystone Building, Harrisburg, Pennsylvania 17120. Our receipt of the executed Commitment Letter will constitute your authorization to incur costs for reimbursement.

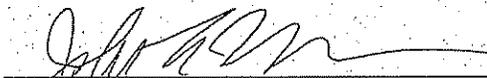


Sincerely,

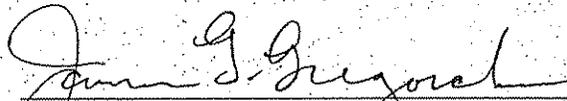
  
George E. Cornelius  
Secretary

The foregoing terms and conditions are hereby agreed to and accepted this 23<sup>rd</sup> day of April, 2010.

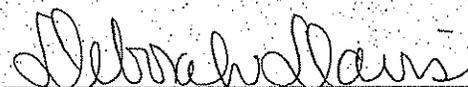
ATTEST:

  
Secretary  
(SEAL)

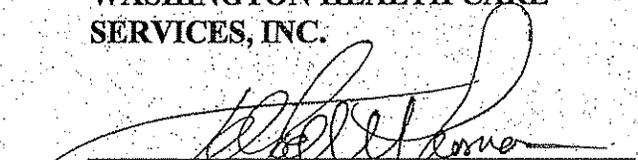
**WASHINGTON COUNTY HOSPITAL  
AUTHORITY**

  
By:  
FEDERAL TAX IDENTIFICATION NUMBER

ATTEST:

  
Secretary  
(SEAL)

**WASHINGTON HEALTH CARE  
SERVICES, INC.**

  
By:  
FEDERAL TAX IDENTIFICATION NUMBER

SCHEDULE A

GRANT ALLOCATION

Year	Grant Amount
1 <sup>st</sup>	\$300,000
2 <sup>nd</sup>	\$300,000
3 <sup>rd</sup>	\$300,000*
4 <sup>th</sup>	\$300,000
5 <sup>th</sup>	\$300,000
6 <sup>th</sup>	\$300,000
7 <sup>th</sup>	\$300,000
8 <sup>th</sup>	\$300,000
9 <sup>th</sup>	\$300,000
10 <sup>th</sup>	\$300,000
11 <sup>th</sup>	\$300,000
12 <sup>th</sup>	\$300,000
13 <sup>th</sup>	\$300,000
14 <sup>th</sup>	\$300,000
15 <sup>th</sup>	\$300,000
16 <sup>th</sup>	\$300,000
17 <sup>th</sup>	\$300,000
18 <sup>th</sup>	\$300,000
19 <sup>th</sup>	\$300,000
20 <sup>th</sup>	\$300,000

\* The second amendment provides funding for the third year of this project in the amount of \$300,000.

SCHEDULE B

GENERAL DESCRIPTION OF PROJECT COSTS

Debt service for construction costs	\$6,000,000
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## EXHIBIT A

### INFRASTRUCTURE AND FACILITIES IMPROVEMENT PROGRAM

#### INSTRUCTIONS FOR RECEIVING GRANT FUNDS

As indicated in your IFIP Commitment Letter from the Secretary, the grant commitment is contingent upon receipt and execution of documents as stated in your letter. Failure to accomplish this may result in the rescindment of your IFIP commitment. Listed below are the steps you must follow.

#### GRANT AGREEMENT

Sign the Grant Agreement and the IFIP Commitment Letter attached to the Grant Agreement and return them to this office as soon as possible.

The Grant Agreement signature process requires approximately 45 days. One fully executed copy of the grant agreement will be returned to you with a copy of a payment request forms and instructions for requesting payment.

#### PAYMENT REQUESTS

The Department requires the Applicant on an annual basis to provide a completed payment request form to the Department evidencing the payment of debt service on the Project for each fiscal year during the term of the Grant Agreement. The payment request will take from 4-6 weeks to process.

Should you have any questions, do not hesitate to contact:

Pennsylvania Department of Community  
and Economic Development  
Center for Business Financing – Site Development Division  
400 North Street – 4<sup>th</sup> Floor  
Harrisburg, Pennsylvania 17120  
(717) 787-7120