

RESOLUTION 2010-244

RESOLUTION OF THE BOARD OF COMMISSIONERS OF CLAYTON COUNTY, GEORGIA TO APPROVE THE EXECUTION AND DELIVERY OF A CONTRACT WITH THE CLAYTON COUNTY HOSPITAL AUTHORITY AND FOR OTHER PURPOSES

WHEREAS, the Clayton County Hospital Authority (the "Authority") owns hospital buildings and related facilities located in Clayton County, Georgia (the "Facilities"), including the Southern Regional Medical Center; and

WHEREAS, the Authority has leased the assets comprising the Southern Regional Medical Center and its ancillary operations and equipment to Southern Regional Health Systems, Inc., d/b/a Southern Regional Medical Center, a Georgia non-profit corporation ("SRHS"); pursuant to a Lease Agreement/Management Agreement, dated as of July 10, 1991, as most recently amended on November 12, 2009 (as amended, the "Lease Agreement"); and

WHEREAS, the Authority proposes to issue its Refunding Revenue Anticipation Certificates (Southern Regional Medical Center Project), Series 2010A (the "Series 2010A Certificates") in an aggregate principal amount of \$35,205,000 and its Taxable Refunding Revenue Anticipation Certificates (Southern Regional Medical Center Project), Series 2010B (the "Series 2010B Certificates," and together with the Series 2010A Certificates, the "Series 2010 Certificates") in an aggregate principal amount of \$7,500,000 for the benefit of SRHS; and

WHEREAS, the Series 2010 Certificates will be issued pursuant to a Trust Indenture, dated as of December 1, 2010 (the "Certificate Indenture"), between the Authority and The Bank of New York Mellon Trust Company, N.A., as trustee; and

WHEREAS, the proceeds of the Series 2010 Certificates will be loaned to SRHS pursuant to a Loan Agreement, dated as of December 1, 2010 (the "Loan Agreement"), between the Authority and SRHS. The proceeds of the Series 2010A Certificates will be applied to (i) refunding all of the Authority's outstanding Refunding Revenue Anticipation Certificates (Southern Regional Medical Center Project), Series 2009 (the "Series 2009 Certificates"), currently outstanding in the principal amount equal to \$39,675,000 and (ii) paying the costs of issuance of the Series 2010 Certificates. The proceeds of the Series 2010B Certificates will be applied to (i) refund all of the Authority's outstanding Refunding Revenue Anticipation Certificates (Southern Regional Medical Center Project), Series 1998A (the "Series 1998A Certificates"), currently outstanding in the principal amount equal to \$7,385,000, and (ii) paying the costs of issuance of the Series 2010 Certificates; and

WHEREAS, the Authority and the County propose entering into an Intergovernmental Contract, dated as of December 1, 2010 (the "Contract"), pursuant to which the Authority will agree, among other things, to issue the Series 2010 Certificates and provide for certain healthcare services and healthcare facilities in the County, and the County will agree, among other things, to make payments, if necessary, in amounts sufficient to enable the Authority to pay the principal of and interest on the Series 2010 Certificates to the extent the same are not otherwise available; provided, however that the maximum amount which the

County shall be obligated to pay under the Contract in any calendar year shall not exceed \$3,107,362.50, the maximum annual debt service for the Series 2010 Certificates; and

WHEREAS, the County will agree in the Contract to levy an annual tax on all taxable property located within the County, within the seven mill limit now prescribed by the Hospital Authorities Law (O.C.G.A. Section 31-7-70, et seq., as amended) (the "Act"), or at such higher rate or rates as may hereafter be provided by the Act or other law, to the extent required to make the payments required to be made by the County under the Contract, provided, however that the maximum amount which the County shall be obligated to pay under the Contract in any calendar year shall not exceed \$3,107,362.50, the maximum annual debt service for the Series 2010 Certificates, as authorized by the Act, to the extent required to make the payments required to be made by the County under the Contract; and

WHEREAS, the County is duly authorized to enter into such a contract pursuant to the Constitution and laws of the State of Georgia, including, without limitation, the provisions of Article IX, Section II, Paragraph III and Article IX, Section III, Paragraph I of the Constitution of the State of Georgia, and the Act, for the purpose of providing medical care and hospitalization for the indigent sick in the County and providing for the general health and welfare of the citizens of the County; and

WHEREAS, the County has determined that the execution, delivery and performance of the Contract will provide for the care, maintenance and hospitalization of its indigent sick and will promote the public health and welfare of the citizens of the County; and

WHEREAS, the County proposes to authorize the execution, performance and delivery of the Contract in substantially the form attached hereto as Exhibit "A" to identify the Series 2010 Certificates as secured by the Contract with all the rights, benefits and securities granted thereunder and to provide for other related matters; and

WHEREAS, the principal amount of the Series 2010 Certificates maturing in each year, the interest rate on each such maturity and the debt service requirements for the Series 2010 Certificates are set forth in Exhibit "B" attached hereto; and

WHEREAS, the Series 2010 Certificates will be sold to Morgan Keegan & Company, Inc. (the "Underwriter") pursuant to a Certificate Purchase Agreement, dated December 7, 2010 (the "Certificate Purchase Agreement"), among the Underwriter, the Authority, SRHS and the County; and

WHEREAS, the County proposes to authorize the execution, performance and delivery of the Certificate Purchase Agreement, in substantially the form presented to the Board of Commissioners of Clayton County at this meeting, providing for the sale of the Series 2010 Certificates to the Underwriter; and

WHEREAS, the County proposes to approve the execution, delivery and use of an Official Statement (the "Official Statement") with respect to the Series 2010 Certificates; and

WHEREAS, the County proposes to approve the execution, performance and delivery of the Continuing Disclosure Agreement, dated December 7, 2010, between the County and SRHS, and a Rule 15c2-12 Certificate, dated December 1, 2010, both in substantially the form presented to the Board of Commissioners of Clayton County at this meeting; and

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF CLAYTON COUNTY AS FOLLOWS:

Section 1. Approval of Contract. The execution, delivery and performance of the Contract is hereby authorized. The Chairman or Vice Chairman and Clerk or Assistant Clerk of the Board of Commissioners of Clayton County are hereby authorized to execute and deliver the Contract on behalf of the County. Such Contract shall be in substantially the form attached hereto as Exhibit "A", subject to such changes, insertions and omissions as may be approved by the Chairman or Vice Chairman and Clerk or Assistant Clerk executing the same, and the execution of the Contract by the Chairman or Vice Chairman and Clerk or Assistant Clerk as herein authorized shall be conclusive evidence of such approval.

Section 2. Payments Under the Contract. There are hereby authorized to be made by the County, from any moneys available for such purpose, all of the contract payments due under the Contract in such amounts and at times which will be sufficient to enable the Authority to pay when due the principal of and interest on the Series 2010 Certificates, as such amounts are shown on Exhibit "B" attached hereto.

Section 3. Approval of Certificate Purchase Agreement. The execution, delivery and performance of the Certificate Purchase Agreement is hereby authorized. The Chairman or Vice Chairman and Clerk or Assistant Clerk of the Board of Commissioners of Clayton County are hereby authorized to execute and deliver the Certificate Purchase Agreement on behalf of the County. The Certificate Purchase Agreement shall be in substantially the form attached hereto as Exhibit "C", subject to such changes, insertions or omissions as may be approved by the Chairman or Vice Chairman and Clerk or Assistant Clerk executing the same, and the execution of the Certificate Purchase Agreement by the Chairman or Vice Chairman and Clerk or Assistant Clerk as herein authorized shall be conclusive evidence of such approval.

Section 4. Approval of Official Statement. The Chairman or Vice Chairman of the Board of Commissioners of Clayton County is hereby authorized to execute and deliver on behalf of the County such certificates or letters of representation as may be necessary or convenient relating to the information concerning the County in the Official Statement of the Authority relating to the Series 2010 Certificates. The Official Statement shall be in substantially the form as the Preliminary Official Statement, subject to such changes, insertions or omissions as may be approved by the Chairman or Vice Chairman executing the same, and the execution of the Official Statement by the Chairman or Vice Chairman as herein authorized shall be conclusive evidence of such approval. The use and distribution of the Official Statement by the Underwriter is hereby approved.

Section 5. Approval of Continuing Disclosure Agreement and Rule 15c2-12 Certificate. The Chairman or Vice Chairman of the Board of Commissioners of Clayton County is hereby authorized and directed to execute and deliver on behalf of the County the Continuing Disclosure

Disclosure Agreement and Rule 15c2-12 Certificate by the Chairman or Vice Chairman shall be conclusive evidence of such approval.

Section 6. Additional Actions. From and after the date of adoption of this Resolution, the Chairman or Vice Chairman and Clerk or Assistant Clerk of the Board of Commissioners of Clayton County are hereby authorized and empowered to take such other actions and to execute for and on behalf of the County all such agreements, certificates, affidavits and other documents as may be necessary or desirable in connection with the execution and delivery by the County of the Contract and the effectuation of the matters contemplated by this Resolution.

Section 7. Ratification of Prior Actions; Repealing Clause. All actions of the County previously taken with respect to the Contract and matters contemplated by this Resolution are hereby ratified and reaffirmed except to the extent specifically modified or supplemented by this Resolution and by the execution of the Contract as contemplated herein. All resolutions or parts thereof of the Board of Commissioners of Clayton County in conflict with the provisions herein contained are, to the extent of such conflict, hereby superseded and repealed.

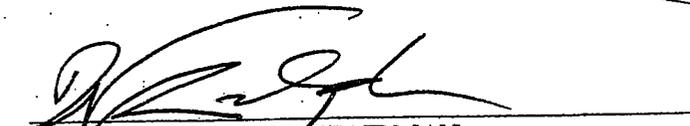
Section 8. Effective Date. This Resolution shall take effect immediately upon its adoption.

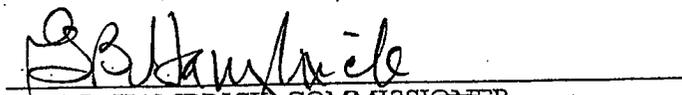
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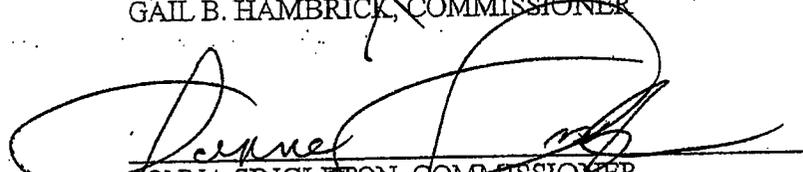
SO RESOLVED this 7th day of December 2010

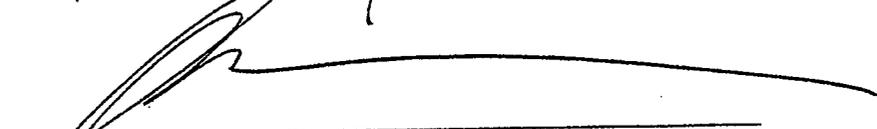
CLAYTON COUNTY BOARD OF COMMISSIONERS


ELDRIN BELL, CHAIRMAN


WOLE RALPH, VICE CHAIRMAN

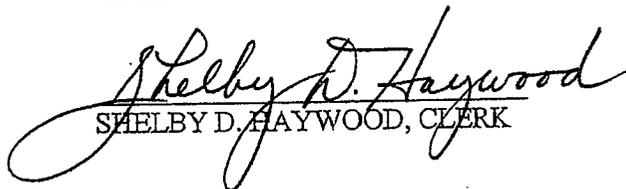

GAIL B. HAMBRICK, COMMISSIONER


SONNA SINGLETON, COMMISSIONER


MICHAEL EDMONDSON, COMMISSIONER

(SEAL)

ATTEST:


SHELBY D. HAYWOOD, CLERK