

**RESOLUTION APPROVING THE ISSUANCE OF BONDS  
TO FINANCE AND REFINANCE CERTAIN PROJECTS  
FOR MEMORIAL HEALTH SYSTEM OF EAST TEXAS**

WHEREAS, pursuant to section 147(f) of the Internal Revenue Code of 1986, as amended (hereinafter referred to as the "Code"), after reasonable public notice (a copy of which is attached hereto as Exhibit A), this Court held a public hearing on this date regarding the issuance of limited obligation revenue bonds by the Colorado Health Facilities Authority (hereinafter referred to as the "Bonds"), the interest on which is intended to be excluded from gross income for federal income tax purposes, to finance and/or refinance Projects located in Polk County, Texas, such Projects being further defined in such notice, all of which are owned, occupied, operated, managed, or otherwise used by Memorial Health System of East Texas, a Texas non-profit corporation, or one or more affiliates as described in such notice;

WHEREAS, the Projects and issuance of the Bonds to finance and/or refinance such Projects will benefit the residents of this County; and

WHEREAS, the approval of the Bonds and the Projects by this Court is a condition to the exclusion of interest on the Bonds from the gross income of the owners thereof for federal income tax purposes and, consequently, to the financing and/or refinancing of the Projects at the favorable interest rates that are currently borne by tax-exempt obligations;

BE IT, THEREFORE, RESOLVED BY THE COMMISSIONERS COURT OF POLK COUNTY, TEXAS, THAT:

SECTION 1. The issuance of a portion of the Bonds, in the maximum aggregate principal amount of \$70,000,000, to finance and/or refinance the Projects, is hereby approved pursuant to section 147(f) of the Code.

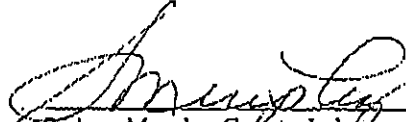
SECTION 2. The approval herein granted is solely for purposes of section 147(f) of the Code and shall not be construed as a representation, warranty, or other undertaking of any kind by the County in respect of the Bonds or the Projects. The Bonds shall not constitute obligations of the State of Texas, this County, or any other political subdivision or agency thereof or a pledge of the faith and credit of any of them. Neither the State of Texas nor any political subdivision or agency thereof, including this County, shall be obligated to pay the Bonds or the interest thereon. Neither the faith and credit nor the taxing power of the State of Texas, the County, or any other political subdivision or agency thereof shall be pledged to the payment of principal of, redemption premium, if any, or interest on the Bonds. In providing its approval, the County is not passing on the adequacy of the revenues pledged, the marketability of the Bonds or the financial condition of Memorial Health System of East Texas or Catholic Health Initiatives.

SECTION 3. The County Judge, the County Commissioners, and the County Clerk and other officers of this County, or any of them, are hereby authorized to execute and deliver such endorsements, certificates, instruments, documents, or other papers and to do all other things necessary or advisable to give effect to the intent and purpose hereof.

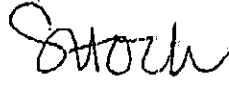
[Signature Page Follows]

PASSED AND APPROVED this August 8, 2017.

ATTEST:

  
Sydney Murphy, County Judge

Schelana Hock, County Clerk and  
Ex-Officio Clerk of the  
Commissioners Court

By  \_\_\_\_\_

(COMMISSIONERS COURT SEAL)



Exhibit A

Notice of Public Hearing

*See Attached*

**NOTICE OF PUBLIC HEARING**

Notice is hereby given that the Commissioner's Court (the "Court") of Polk County (the "County") will hold a public hearing on August 8, 2017 at 9:30 a.m. in the Commissioner's Courtroom on the 3rd floor of the Polk County Courthouse, located at 101 W. Church St., Livingston, Texas, regarding the proposed issuance by the Colorado Health Facilities Authority ("COHFA") of tax-exempt bonds (the "COHFA Bonds"), the proceeds of which will be loaned to Catholic Health Initiatives, a Colorado nonprofit corporation ("CHI").

A portion of proceeds of the COHFA Bonds in an amount not to exceed \$70,000,000 will be used in the County to finance and/or refinance the costs of the acquisition of certain health care and related facilities of Memorial Health System of East Texas ("MHSET") and its subsidiaries and affiliates, as well as certain costs of constructing, renovating and equipping those facilities (collectively, the "Projects").

The Projects are owned and/or operated by CHI, MHSET, East Texas Clinical Services, Lufkin Vision Acquisitions, MHI Clinical Services, Memorial Hospital of Polk County, Memorial Medical Center - San Augustine, Memorial Multispecialty Associates, Memorial Specialty Hospital and Pineywoods Medical Development Corporation and/or one of their subsidiaries or affiliates and are located at the following addresses within the County: 1717 Hwy 59 Bypass; 403 and 601 Ogletree and 6900 Hwy 146, all in Livingston, TX.

The public hearing is being conducted as an accommodation to satisfy the requirements of Section 147(f) of the Internal Revenue Code of 1986, as amended. THE COHFA BONDS, WHEN ISSUED, WILL NOT BE OBLIGATIONS OF THE COUNTY AND WILL NOT CONSTITUTE A GENERAL OBLIGATION OR INDEBTEDNESS OF THE STATE OF TEXAS, THE COUNTY OR ANY POLITICAL SUBDIVISION THEREOF, NOR WILL THEY BE PAYABLE IN ANY AMOUNT BY TAXATION, BUT THE COHFA BONDS WILL BE THE LIMITED OBLIGATIONS OF COHFA, PAYABLE SOLELY FROM THE REVENUES PLEDGED THEREFOR.

At the time and place fixed for the hearing, all individuals who appear will be given an opportunity to address the question of whether the Commissioners Court of the County and the County Judge should approve the issuance of the COHFA Bonds for the purposes of financing or refinancing the costs of the Projects and all written comments previously filed with the County at its offices at 101 W. Church St., Suite 300, Livingston, Texas, will be considered. Following the public hearing a report concerning the hearing will be submitted to the Commissioners Court and the County Judge with a request to approve the issuance of the COHFA Bonds for the purposes of financing or refinancing the costs of the Projects. Subsequent to the public hearing, the Commissioners Court and the County Judge will take such action as is deemed proper in the premises.

POLK COUNTY, TEXAS

By: Sydney Murphy, Polk County Judge

**CERTIFICATE OF PUBLIC HEARING**

I, the undersigned, hereby certify in connection with the proposed issuance by the Colorado Health Facilities Authority (the "Bond Issuer") of its limited obligation revenue bonds, for the benefit of Catholic Health Initiatives ("CHI") and affiliates (the "Bonds"), as follows:

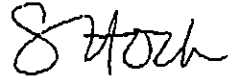
1. Commencing at 9:30 a.m., in the Commissioner's Courtroom on the third floor of the Polk County Courthouse, located at 101 W. Church St., Livingston, Texas, which was open to the public for purposes of the hearing, the Commissioner's Court (the "Court") of Polk County, Texas (the "County") held a public hearing on the Bonds, the proceeds of which are to be used to finance and/or refinance the Projects described in the notice of public hearing published in *The Polk County Enterprise* on July 23, 2017, all of which are owned, operated or managed by CHI, Memorial Health System of East Texas or affiliates and are located as described in the notice.

2. At the time for the commencement of the hearing, the County Judge publicly requested comments, either orally or in writing, regarding the issuance of the Bonds and the financing or refinancing of the facilities located within the County with the proceeds of the Bonds.

3. At the hearing, no persons presented comments orally or in writing.

4. No time limitations on any public comments were imposed.

IN WITNESS WHEREOF, I have hereunto set my hand this 8<sup>th</sup> day of August, 2017.



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Schelana Hock,  
County Clerk, Polk County, Texas