

**BOARD OF DIRECTORS
NORTHERN INYO LOCAL HOSPITAL DISTRICT
COUNTY OF INYO, STATE OF CALIFORNIA**

RESOLUTION NO. 09-03

**RESOLUTION AMENDING RESOLUTION NO. 08-03, ADOPTED ON
SEPTEMBER 17, 2008, AUTHORIZING THE ISSUANCE AND SALE OF ITS
GENERAL OBLIGATION BONDS, ELECTION OF 2005, SERIES 2008, IN
THE AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED
\$14,465,000, AND APPROVING THE FORM OF AN UPDATED
PRELIMINARY OFFICIAL STATEMENT**

RESOLVED, by the Board of Directors (the "Board of Directors") of the Northern Inyo Local Hospital District (the "District"), as follows:

WHEREAS, a duly called special municipal election was held in the District on June 7, 2005, and thereafter canvassed pursuant to law;

WHEREAS, at such election there was submitted to and approved by the requisite two-thirds (2/3) vote of the qualified electors of the District a question as to the issuance and sale of general obligation bonds of the District for the purpose of raising money for the expansion, improvement, acquisition, construction, equipping and renovation of health facilities of the District (the "Project"), in the maximum aggregate principal amount of \$29,500,000 payable from the levy of an unlimited *ad valorem* tax against all taxable property in the District (the "2005 Authorization");

WHEREAS, pursuant to Chapter 4 of Division 23 (commencing with section 32300) of the California Health and Safety Code (the "Act"), the District is empowered to issue general obligation bonds;

WHEREAS, pursuant to the 2005 Authorization, the District has previously issued an initial series of bonds, in the aggregate principal amount of \$15,035,000, identified as the "Northern Inyo County Local Hospital District Election of 2005, Series 2005 General Obligation Bonds," for the purpose of raising funds needed for the Project and other authorized costs;

WHEREAS, the District wishes to institute proceedings for the issuance and sale of a second series of bonds for the purpose of raising funds needed for the Project and other authorized costs;

WHEREAS, the Board of Directors has previously adopted its Resolution No. 08-03, on September 17, 2008 (the "Original Resolution"), authorizing the issuance and sale of up to \$14,465,000 principal amount of bonds under the 2005 Authorization;

WHEREAS, because of the instability of the credit markets, the originally designated underwriter for such second series of bonds has determined not to purchase the bonds and it is necessary to amend the Original Resolution provisions relating to the underwriter and to make certain other conforming changes; and

WHEREAS, an updated preliminary official statement relating to the Bonds has been prepared and presented to the Board of Directors;

NOW, THEREFORE, it is hereby ORDERED and DETERMINED, as follows:

Section 1. Amendment of the Original Resolution.

(a) All references to "Series 2008" are hereby changed to "Series 2009."

(b) The definition of "Underwriter" set forth in Section 1.01 of the Original Resolution is hereby amended in full as follows:

"Underwriter" means an underwriter or underwriters identified by the District's financial advisor and approved by a District Representative, or the designee thereof.

All references to "Banc of America Securities LLC" in the Original Resolution, including any exhibits or appendices thereto, shall be deleted.

(c) Except as amended by this Resolution, the Original Resolution shall remain in full force and effect.

Section 2. Official Statement. The Board of Directors hereby approves an updated preliminary official statement describing the Bonds (the "Preliminary Official Statement"), in substantially the form on file with the Secretary, together with any changes therein or additions thereto deemed advisable by the President, the Vice President, the Chief Executive Officer, the Chief Financial Officer (each, a "District Representative"), or any designee thereof. The Board of Directors authorizes and directs a District Representative or any designee thereof, on behalf of the District, to deem "final" pursuant to Rule 15c2-12 under the Securities Exchange Act of 1934 (the "Rule") the Preliminary Official Statement prior to its distribution by the financial advisor.

A District Representative or any designee thereof is authorized and directed to cause the Preliminary Official Statement to be brought into the form of a final official statement (the "Final Official Statement") and to execute the Final Official Statement, dated as of the date of the sale of the Bonds, and a statement that the facts contained in the Final Official Statement, and any supplement or amendment thereto (which shall be deemed an original part thereof for the purpose of such statement) were, at the time of sale of the Bonds, true and correct in all material respects and that the Final Official Statement did not, on the date of sale of the Bonds, and does not, as of the date of delivery of the Bonds, contain any untrue statement of a material fact with respect to the District or omit to state material facts with respect to the District required to be stated where necessary to make any statement made therein not misleading in the light of the circumstances under which it was made. A District Representative or any designee thereof shall take such further actions prior to the signing of the Final Official

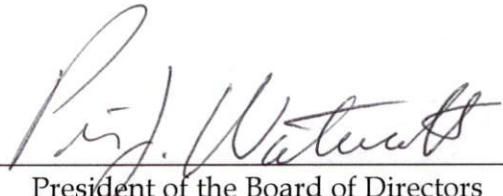
Statement as are deemed necessary or appropriate to verify the accuracy thereof. The execution of the final Official Statement, which shall include such changes and additions thereto deemed advisable by a District Representative or any designee thereof and such information permitted to be excluded from the Preliminary Official Statement pursuant to the Rule, shall be conclusive evidence of the approval of the Final Official Statement by the District.

The Final Official Statement, when prepared, is approved for distribution in connection with the offering and sale of the Bonds.

Section 3. General Authority. The President, the Vice President, the Chief Executive Officer and the Chief Financial Officer, and their respective designees, are each hereby authorized, empowered and directed in the name and on behalf of the District to take any and all steps which they or any of them might deem necessary or appropriate in order to give effect to this Resolution.

Section 4. Effective Date. This resolution shall take effect immediately on and after its adoption.

THE FOREGOING RESOLUTION is approved and adopted by the Board of Directors of the Northern Inyo Local Hospital District this 18th day of March, 2009.



President of the Board of Directors

ATTEST:



Secretary of the Board of Directors