

SPECIAL PURPOSE LOCAL OPTION SALES TAX  
INTERGOVERNMENTAL CONTRACT

This Intergovernmental Contract (the "Contract"), is between Walton County, Georgia (the "County"), the City of Monroe ("Monroe"), the City of Loganville ("Loganville"), the City of Social Circle ("Social Circle"), the City of Walnut Grove ("Walnut Grove"), the City of Good Hope ("Good Hope"), the City of Jersey ("Jersey") and the City of Between ("Between" and together with Monroe, Loganville, Social Circle, Walnut Grove, Good Hope and Jersey, the "Cities").

PREAMBLE

Article 3 of Chapter 8 of Title 48 of the Official Code of Georgia Annotated, as amended (the "Act"), provides for the creation of a special district in each county in the State of Georgia and authorizes the imposition of a one percent sales and use tax (the "Sales and Use Tax") in such district for the purposes specified therein.

The County and the Cities wish to continue the Sales and Use Tax presently in effect, which expires on December 31, 2024, and are entering into this Contract for the purpose of specifying the projects to be funded with such Sales and Use Tax and providing for the distribution of the proceeds of the Sales and Use Tax.

In consideration of the mutual agreements of the County and the Cities in this Contract, and for other good and valuable consideration, the receipt and sufficiency of which the County and the Cities acknowledge, the County and the Cities agree as follows:

Section 1. Representations of the Cities.

Each of the Cities hereby represents as follows:

(a) It is a municipal corporation as defined by law and judicial interpretation and a "qualified municipality" as such term is defined in the Act and has been duly authorized to execute and deliver this Contract and to perform its obligations hereunder, and such authorization has not been revoked or rescinded.

(b) The execution and delivery of this Contract by the City, and the performance of its obligations hereunder, does not violate any provision of the Constitution or laws of the State of Georgia or any order, rule or regulation of any judicial or governmental agency binding on the City, or violate or constitute (with the passage of time or the provision of notice or both) a breach of or a default under any agreement, contract, instrument, ordinance or other resolution of the City or by which the City is bound.

(c) To the knowledge of the City, there is no litigation pending or threatened challenging the existence or powers of the City or the ability of the City to enter into this Contract, or seeking to restrain or enjoin the City from entering into this Contract or acquiring, constructing or installing any of the projects sought to be financed from the proceeds of the Sales and Use Tax.

Section 2. Representations of the County.

The County hereby represents as follows:

(a) It is a political subdivision of the State of Georgia and has been duly authorized to execute and deliver this Contract and to perform its obligations hereunder, and such authorization has not been revoked or rescinded.

(b) The execution and delivery of this Contract by the County, and the performance of its obligations hereunder, does not violate any provision of the Constitution or laws of the State of Georgia or any order, rule or regulation of any judicial or governmental agency binding on the County, or violate or constitute (with the passage of time or the provision of notice or both) a breach of or a default under any agreement, contract, instrument, ordinance or other resolution of the County or by which the County is bound.

(c) To the knowledge of the County, there is no litigation pending or threatened challenging the existence or powers of the County or the ability of the County to enter into this Contract, or seeking to restrain or enjoin the County from entering into this Contract, imposing the Sales and Use Tax or acquiring, constructing or installing any of the projects of the County sought to be financed from the proceeds of the Sales and Use Tax.

Section 3. Referendum for Imposition of Sales and Use Tax.

The County agrees that it will take all actions necessary to call a referendum, to be held in all the voting precincts in the County, on the 21st day of May, 2024, or on such other date as the County and the Cities shall mutually agree, for the purpose of submitting to the qualified voters of the County for their approval, the question of whether or not a Sales and Use Tax of one percent shall be imposed on all sales and uses in the special district which consists of Walton County, as authorized by the Act for 24 calendar quarters (six years) for the purpose of funding the projects described in this Contract (collectively the "Projects" or as to any City or the County, the "Projects" of such City or County). The amount of money to be raised by the Sales and Use Tax is estimated to be \$120,000,000. The Projects and the estimated amount of Sales Tax and Use Tax attributable to each Project is shown on Schedule A attached to this Contract.

Section 4. Conditions Precedent.

The obligations of all parties under this Contract are conditioned upon the following events:

(a) The adoption of a resolution by the Board of Commissioners of Walton County authorizing the imposition of the Sales and Use Tax and calling the referendum described above.

(b) The approval of the Sales and Use Tax by a majority of the voters in the County voting in the election for those purposes as required by the Act.

Section 5. County Sales and Use Tax Fund; Separate Accounts; No Commingling.

Prior to the first date on which the Sales and Use Tax will be collected, the County shall establish a special fund or account designated as the 2025 Special Purpose Local Option Sales Tax Fund for the County (the "Project Fund Account" of the County), and each City shall create a special fund or account to be designated as the 2025 Special Purpose Local Option Sales Tax Fund for each such City (each such fund or account, the "Project Fund Account" of such City). The County shall select a local bank which shall act as a depository and custodian of the Project Fund Account of the County upon such terms and conditions as may be acceptable to the County, and each City shall select a local bank which shall act as a depository and custodian of the Project Fund Account of each such City upon such terms and conditions as may be acceptable to each such City. All Sales and Use Tax proceeds shall be maintained by the County and each City in the separate accounts or funds established pursuant to this Section. Sales and Use Tax proceeds shall not be commingled with other funds of the County or Cities and shall be used exclusively for the purposes detailed in this Contract. No funds other than Sales and Use Tax proceeds shall be placed in such funds or accounts.

Section 6. Procedure for Disbursement of Sales and Use Tax Proceeds.

Upon receipt by the County of Sales and Use Tax proceeds collected by the state department of revenue, the County shall immediately deposit said proceeds in the County's Project Fund Account and, within ten (10) business days thereof, disburse the Sales and Use Tax proceeds due to each City in accordance with Section 7. The proceeds shall be deposited in the Project Fund Account established by each City in accordance with Section 5. Should any City cease to exist as a legal entity before all funds are distributed under this Contract, that City's share of the funds subsequent to dissolution shall be paid to the County as part of the County's share unless an act of the Georgia General Assembly makes the defunct City part of another successor city. If such an act is passed, the defunct City's share shall be paid to the successor city in addition to all other funds to which the successor city would otherwise be entitled.

Section 7. Priority and Order of Project Funding.

The parties hereto agree that the proceeds of the Sales and Use Tax received each month will be applied as follows (and in the order indicated below):

- (a) First, the Sales and Use Tax receipts shall be deposited into the Project Fund Account of the County in an amount equal to \$480,000 per month, the monthly amount needed for the County to make installment payments to the Walton Industrial Building Authority for the acquisition of the Public Safety Complex as shown on Schedule A.
- (b) Next, the Sales and Use Tax receipts shall be deposited into the Project Fund Account of the County and each of the Cities in accordance with the percentages shown in the column with the heading "Allocation of Sales and Use Tax Proceeds After Funding the County's Acquisition of the Public Safety Complex from the Walton Industrial Building Authority" on Schedule B.

Except as provided in Section 8 of this Agreement, any change to the priority or schedule must be agreed to in writing by all parties to this Contract.

Section 8. Completion of Projects.

The County and Cities acknowledge that the costs shown for each project described on Schedule A are estimated amounts. If a county project has been satisfactorily completed at a cost less than the estimated cost listed for that project in Schedule A, the County may apply the remaining unexpended funds to any other county project in Schedule A. If a city project has been satisfactorily completed at a cost less than the estimated cost listed for that project in Schedule A, the City may apply the remaining unexpended funds to any other project included for that City in Schedule A.

Within thirty (30) days after the Projects of any City have been completed, such City shall file with the County a Certificate of Completion signed by the Mayor, City Manager or other Authorized Signatory, setting forth the date on which the final Project or Projects were completed and stating that all Sales and Use Tax proceeds deposited into the Project Fund Account for such City have been applied to the Project or Projects or otherwise applied in accordance with the Act.

Section 9. Audits.

(a) Each of the Cities and the County shall include in its annual audit the schedule required by Section 48-8-121 of the Act relating to each Project approved for such City or the County in the referendum. Each of the Cities and the County shall publish the report relating to the Projects of such City and County as required by Section 48-8-122 of the Act. Each City and the County agrees that the proceeds received from the Sales and Use Tax shall be used by the County or the City, as the case may be, exclusively for the purpose or purposes specified in the resolution calling for the referendum except as may otherwise be permitted under the Act. Each of the Cities and the County shall be responsible for their own expenses incurred in maintaining such records and making any such reports.

(b) The County and each of the Cities shall have no liability to each other for the failure by any City or the County to spend the proceeds received from the Sales and Use Tax for the purposes authorized in the referendum, although the County shall have the right, but not the duty, to seek to enforce the obligation of each of the Cities to apply the proceeds received from the Sales and Use Tax in accordance with the Act and the referendum.

Section 10. Other Expenses; Reimbursement.

The parties to this Contract acknowledge that the fees and expenses relating to, or incurred incident to, calling the referendum for the imposition of the Sales and Use Tax shall be paid by the County and each City shall reimburse the County for their pro rata share of any such expenses in accordance with the "Percentage of Sales Tax Proceeds for Projects" on Schedule B. The County shall from time to time provide notification to the Cities of any other expenses relating to the Sales and Use Tax proceeds. Each of the Cities agrees that it will be liable to the County for their pro rata share of any such expenses in accordance with the "Percentage of Sales Tax Proceeds for Projects" on Schedule B. In the event that following the passage of the referendum relating to the imposition of the Sales and Use Tax, any litigation or threatened litigation, audit or investigation relating to the imposition of the Sales and Use Tax or the use of the proceeds of the Sales and Use Tax or other similar matters relating thereto shall occur, the County

shall have the right on behalf of itself and the Cities to conduct such litigation or handle such threatened litigation, audit or other investigation and to retain such attorneys and other experts as may be required or appropriate in connection therewith. The County shall give prompt notice to the Cities of the institution of any such litigation or threatened litigation, audit or investigation. Each of the Cities agrees that it will be liable to the County for their pro rata share of the costs of such litigation or threatened litigation, audit or investigation, or for the cost of any judgment or settlement of such litigation or threatened litigation, audit or investigation in accordance with the "Percentage of Sales Tax Proceeds for Projects" on Schedule B. The Cities agree that any payment required to be made to the County under this Section shall be made promptly upon receipt by the City of a statement therefor from the County.

Nothing in this Section shall preclude any City or the County (either individually or collectively) from seeking repayment from, or from instituting any action against, any other party to this Contract to the extent that any action or inaction on the part of any party or parties to this Contract results in liability to the County or the Cities whether directly or indirectly pursuant to this Section of this Contract, and the costs of any such action shall not be shared as provided in this Section but shall be costs of the parties involved in such action.

Section 11.     Term of this Contract.

The term of this Contract (assuming the conditions precedent in Section 5 have been satisfied) shall expire at the later of (i) October 1, 2031 or (ii) the date on which any moneys held in any accounts or sub-accounts established under this Contract are fully depleted, but in no event shall this Contract run for more than 50 years from the date hereof.

Section 12.     Arbitration.

The parties hereto agree to submit any controversy arising under this Contract to arbitration pursuant to the provisions of O.C.G.A. § 9-9-1 et seq., the Georgia Arbitration Code. Such arbitration shall in all respects be governed by the provisions of the Arbitration Code and the parties hereby agree to comply with and be governed by the provisions of the Arbitration Code as to any controversy so submitted to arbitration.

Section 13.     Counterparts.

This Contract may be executed in several counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument.

Section 14.     Governing Law.

This Contract and all transactions contemplated hereby shall be governed by, construed and enforced in accordance with the laws of the State of Georgia.

Section 15.     Severability.

Should any provision of this Contract or application thereof to any person, entity or circumstance be held invalid or unenforceable, the remainder of this Contract or the application of such provision to any person, entity or circumstance, other than those to which it is held invalid or unenforceable,

shall not be affected thereby, and each provision of this Contract shall be valid and enforceable to the full extent permitted by law.

Section 16.    Notices.

All notices, demands or requests required or permitted to be given pursuant to this Contract shall be in writing and shall be deemed to have been properly given or served and shall be effective on being deposited or placed in the United States mail, postage prepaid and registered or certified with return receipt requested to the addresses appearing below, or when delivered by hand to the addresses indicated below:

- (a)    As to Walton County:  
Walton County Board of Commissioners  
Attention: Chairman  
111 South Broad Street  
Monroe, GA 30655
  
- (b)    As to the City of Monroe:  
City of Monroe  
Attention: Mayor  
215 North Broad Street  
Monroe, GA 30655
  
- (c)    As to the City of Loganville:  
City of Loganville  
Attention: Mayor  
P.O. Box 39  
4303 Lawrenceville Road  
Loganville, GA 30052
  
- (d)    As to the City of Social Circle:  
City of Social Circle  
Attention: Mayor  
P.O. Box 310  
166 North Cherokee Road  
Social Circle, GA 30025
  
- (d)    As to the City of Walnut Grove:  
City of Walnut Grove  
Attention: Mayor  
2581 Leone Avenue  
Loganville, GA 30052
  
- (e)    As to the City of Good Hope:  
City of Good Hope  
Attention: Mayor  
P.O. Box 10  
169 Highway 83 South

Good Hope, GA 30641

(g) As to the City of Jersey:

City of Jersey  
Attention: Mayor  
P.O. Box 218  
Jersey, GA 30018

(h) As to the City of Between:

City of Between  
Attention: Mayor  
P.O. Box 46  
1926 New Hope Church Road  
Monroe, GA 30655

Any party to this Contract, may, in the manner provided herein for the giving of notices, specify another or different address to which notices under this Contract must be sent by giving notice thereof to each other party to this Contract.

[Signature Pages Follow]

IN WITNESS WHEREOF, all parties hereto have agreed as of the 13th day of February, 2024.

WALTON COUNTY, GEORGIA

By: \_\_\_\_\_  
Chairman

(SEAL)

Attest:

\_\_\_\_\_  
Clerk

CITY OF MONROE

By: \_\_\_\_\_  
Mayor

(SEAL)

Attest:

\_\_\_\_\_  
Clerk

CITY OF LOGANVILLE

By: \_\_\_\_\_  
Mayor

(SEAL)

Attest:

\_\_\_\_\_  
Clerk



CITY OF SOCIAL CIRCLE

By: \_\_\_\_\_  
Mayor

(SEAL)

Attest:

\_\_\_\_\_  
Clerk

CITY OF WALNUT GROVE

By: \_\_\_\_\_  
Mayor

(SEAL)

Attest:

\_\_\_\_\_  
Clerk

CITY OF GOOD HOPE

By: \_\_\_\_\_  
Mayor

(SEAL)

Attest:

\_\_\_\_\_  
Clerk

CITY OF JERSEY

By: \_\_\_\_\_  
Mayor

(SEAL)

Attest:

\_\_\_\_\_  
Clerk

CITY OF BETWEEEN

By: \_\_\_\_\_  
Mayor

(SEAL)

Attest:

\_\_\_\_\_  
Clerk

SCHEDULE A

Walton County, Georgia  
Sales and Use Tax 2025-2030

Entity	Project	Estimated Costs of Projects
Walton County	Installment payments to the Walton Industrial Building Authority for the acquisition of the Public Safety Complex	\$34,560,000.00
	Transportation projects	\$20,500,000.00
	Parks and recreation projects including the right to make installment payments to the Walton County Public Facilities Authority for the acquisition of the Walnut Grove Park	\$13,000,000.00
	Building projects	\$12,000,000.00
	Water system improvements	\$3,500,000.00
	Vehicle and major equipment acquisition	\$2,264,000.00
	<b>subtotal</b>	<b>\$85,824,000.00</b>
City of Monroe	Public safety projects, vehicles, and equipment	\$6,168,477.20
	Transportation projects	\$6,168,477.20
	Monroe public facilities capital improvements	\$1,079,483.51
	Parks capital improvements	\$2,004,755.09
	<b>subtotal</b>	<b>\$15,421,193.00</b>
City of Loganville	Parks and recreation projects	\$255,026.12
	Public safety projects	\$623,397.18
	Public utility projects	\$5,440,557.22
	Transportation projects	\$5,015,513.69
	<b>subtotal</b>	<b>\$11,334,494.21</b>
City of Social Circle	Transportation projects	\$1,400,000.00
	Water and sewer projects	\$1,200,000.00
	Public safety projects	\$2,124,849.00
	Parks and recreation projects	\$413,482.60
	<b>subtotal</b>	<b>\$5,138,331.60</b>
City of Good Hope	Transportation projects	\$192,609.96
	Parks and recreation projects	\$87,549.98
	Building upgrades	\$70,039.98
	<b>subtotal</b>	<b>\$350,199.92</b>
City of Walnut Grove	Vehicles and major equipment	\$36,500.00
	Sewer expansion/infrastructure	\$800,000.00
	Transportation, drainage, paving and sidewalk projects	\$433,676.00
	Building upgrades	\$63,500.00
	Parks and recreation projects	\$32,000.39
	<b>subtotal</b>	<b>\$1,365,676.39</b>
City of Jersey	Transportation projects	\$25,000.00
	Water system improvements	\$25,000.00
	Building projects	\$75,823.56

	Parks and recreation projects	\$25,000.00
	<b>subtotal</b>	<b>\$150,823.56</b>
City of Between	Transportation projects	\$25,000.00
	Building upgrades and improvements	\$390,281.32
	<b>subtotal</b>	<b>\$415,281.32</b>
	<b>TOTAL</b>	<b>\$120,000,000.00</b>

[Special Purpose Local Option Sales Tax Intergovernmental Contract]

SCHEDULE B

Walton County, Georgia  
Sales and Use Tax 2025-2030

Allocation of Sales and Use Tax Proceeds			
Entity		Estimated Costs of Projects	Allocation of Proceeds After Monthly Funding of County's Acquisition of Public Safety Complex from Walton Industrial Building Authority
Walton County, Georgia		\$85,824,000.00*	60.0000%
City of Monroe		\$15,421,193.00	18.0491%
City of Loganville		\$11,334,494.21	13.2660%
City of Social Circle		\$5,138,331.60	6.0140%
City of Good Hope		\$350,199.92	0.4099%
City of Walnut Grove		\$1,365,676.39	1.5984%
City of Jersey		\$150,823.56	0.1765%
City of Between		\$415,281.32	0.4861%
<b>TOTAL</b>		<b>\$120,000,000</b>	<b>100.00%</b>
		*Includes \$34,560,000.00 for the County's installment payments to the Walton Industrial Building Authority for the acquisition of the Public Safety Complex	

[Special Purpose Local Option Sales Tax Intergovernmental Contract]