

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF WALTON COUNTY, GEORGIA TO APPROVE THE BOND RESOLUTION OF THE WALTON COUNTY WATER AND SEWERAGE AUTHORITY AUTHORIZING THE ISSUANCE OF THE WALTON COUNTY WATER AND SEWERAGE AUTHORITY TAXABLE REFUNDING REVENUE BOND (WALTON-HARD LABOR CREEK RESERVOIR PROJECT), SERIES 2021 IN THE PRINCIPAL AMOUNT OF NOT TO EXCEED \$27,750,000; TO AUTHORIZE THE EXECUTION OF A CONTRACT BETWEEN THE COUNTY AND THE AUTHORITY; TO AUTHORIZE THE CHAIRMAN AND OTHER OFFICERS AND OFFICIALS OF THE COUNTY TO TAKE SUCH FURTHER ACTIONS AS ARE NECESSARY TO PROVIDE FOR THE ISSUANCE AND DELIVERY OF THE REVENUE BONDS DESCRIBED HEREIN; AND FOR OTHER PURPOSES.

WHEREAS, the Walton County Water and Sewerage Authority (the “Authority”) was duly created and is validly existing pursuant to an act of the General Assembly of the State of Georgia (Ga. L. 1972, p. 3623 et seq.), as thereafter amended (the “Act”) and owns a water system in Walton County, Georgia (the “County”) (as it now exists and as it may be hereafter added to, extended, improved and equipped, the “System”); and

WHEREAS, under the Act and the Revenue Bond Law (O.C.G.A. § 36-82-60 *et seq.*, as amended), the Authority has, with the consent of the County, among others, the power (a) to issue revenue bonds and use the proceeds for the purpose of financing or refinancing all or part of the cost of (1) any project (as authorized by the Act), which includes the acquisition, construction and equipping of water facilities for obtaining one or more sources of water supply, the treatment of water and the distribution and sale of water to users and consumers, including, but not limited to, the State of Georgia and counties and municipalities for the purpose of resale, within and without the territorial boundaries of the County, and additions and improvements to and extensions of such facilities and the operation and maintenance of same so as to assure an adequate water system; and (2) any undertaking permitted by the Revenue Bond Law; (b) to prescribe and revise rates, and to collect fees and charges for the services and facilities furnished by the System; (c) in anticipation of the collection of revenues from the System, to issue revenue bonds to finance or refinance, in whole or in part, the costs of additions, extensions and improvements to the System and to pay all expenses necessary to accomplish the foregoing; and (d) to make and execute contracts and other instruments necessary to exercise the powers of the Authority; and

WHEREAS, pursuant to the Constitution and laws of the State of Georgia, the County is authorized and permitted to provide water and sewerage services to the citizens of the County or to contract with the Authority for such purpose; and

WHEREAS, Article IX, Section III, Paragraph I(a) of the Constitution of the State of Georgia authorizes, among other things, any county, municipality or other political subdivision of the State of Georgia to contract, for a period not exceeding fifty (50) years, with another county, municipality or political subdivision or with any other public agency, public

corporation or public authority for joint services, for the provision of services, or for the provision or separate use of facilities or equipment, provided that such contract deals with activities, services or facilities which the contracting parties are authorized by law to undertake or to provide; and

WHEREAS, pursuant to the Constitution and laws of the State of Georgia, and a resolution of the Authority adopted on August 16, 2007, as supplemented on February 5, 2008, and a consent resolution of the Board of Commissioners of the County, adopted on August 16, 2007, as supplemented on February 5, 2008, the Authority issued its Revenue Bonds (Walton-Hard Labor Creek Reservoir Project), Series 2008 (the "Series 2008 Bonds"), in the original aggregate principal amount of \$40,990,000, for the purpose of (i) financing or refinancing a portion of the cost of acquiring, constructing, installing and equipping a reservoir and related treatment and transmission facilities (the "Projects"), (ii) paying capitalized interest on the Series 2008 Bonds, (iii) funding a debt service reserve fund and (iv) paying the costs of issuing the Series 2008 Bonds; and

WHEREAS, the Series 2008 Bonds were issued pursuant to a Trust Indenture, as supplemented by a First Supplemental Trust Indenture, each dated as of February 1, 2008 (collectively, the "2008 Indenture"), and each between the Authority and Regions Bank, Atlanta, Georgia, as trustee (the "2008 Trustee"); and

WHEREAS, pursuant to the Constitution and laws of the State of Georgia, and a resolution of the Authority adopted on March 1, 2016, and a consent resolution of the Board of Commissioners of the County, adopted on March 1, 2016, the Authority issued its Refunding Revenue Bonds (Walton-Hard Labor Creek Reservoir Project), Series 2016A, in the aggregate principal amount of \$34,300,000 (the "Series 2016A Bonds") for the purpose of providing funds to (a) refund all of the outstanding Series 2008 Bonds (the "Refunded Series 2008 Bonds"), and (b) pay the costs of issuing the Series 2016A Bonds; and

WHEREAS, in connection with the issuance of the Series 2016A Bonds, the Authority and the County entered into an Intergovernmental Contract, dated as of March 1, 2016 (the "2016 Contract"), pursuant to which the Authority agreed to issue the Series 2016A Bonds to refund the Refunded Series 2008 Bonds and pay the costs of issuance thereof, and the County, in consideration of the Authority's doing so, agrees to pay to the Authority amounts sufficient to pay the principal of and interest on the Series 2016A Bonds and to levy an ad valorem property tax (if necessary), on the assessed value of all property located within the County subject to such tax, at such rate or rates, unlimited as to amount, in order to pay the principal of and interest on the Series 2016A Bonds; and

WHEREAS, because of present market conditions it is advisable, feasible and in the best interest of the Authority and the County that the Series 2016A Bonds, maturing in the years 2027 through 2038, inclusive (the "Refunded Bonds"), be refunded and called for redemption, in order to effect a savings in the debt service requirements on the County's outstanding bonded indebtedness, and the Authority and the County have determined, after their own independent study and investigation, that it is in the best interest of the Authority and the County to refund the Refunded Bonds; and

WHEREAS, pursuant to a resolution to be duly adopted by the Authority on October 20, 2021 (the “Bond Resolution”), the Authority authorized the issuance of its Taxable Refunding Revenue Bond (Walton-Hard Labor Creek Reservoir Project), Series 2021 (the “Series 2021 Bond”) in the original principal amount of not to exceed \$27,750,000, dated as of its date of issuance and delivery, for the purpose of refunding the Refunded Bonds; and

WHEREAS, the original principal amount of the Series 2021 Bond and interest rate or rates thereon will be determined by the Authority in a resolution supplementing the Bond Resolution to be adopted prior to the issuance and delivery of the Series 2021 Bond; and

WHEREAS, it is proposed that the Authority and the County should authorize the execution and delivery of an Intergovernmental Contract (the “Contract”), between the County and the Authority, pursuant to which the Authority will agree to issue the Series 2021 Bond to provide funds to refund the Refunded Bonds, and the County, in consideration of the Authority’s doing so, will agree to pay to the Authority from its general fund or from the proceeds of a tax levied on all taxable property located within the boundaries of the County, at such rate or rates, unlimited as to amount, in order to pay the principal of and interest on the Series 2021 Bond (the “Contract Payments”); and

WHEREAS, the Series 2021 Bond shall contain such terms and provisions as provided in the Bond Resolution; and

WHEREAS, the Series 2021 Bond will be secured by a first lien on the Contract and the Contract Payments; and

WHEREAS, it is proposed that in order to accomplish the sale of the Series 2021 Bond, the County should enter into a Placement Agent Agreement (the “Placement Agreement”) by and among the Authority, the County and Stifel Nicolaus & Company, Inc., as placement agent (the “Placement Agent”), the terms of which provide for the placement of the Series 2021 Bond; and

WHEREAS, it is necessary and proper that the Board of Commissioners of the County approve the form of the Bond Resolution, the Contract and the Placement Agreement, and authorize the Chairman of the Board of Commissioners of the County (the “Chairman”) to execute the Contract and the Placement Agreement.

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of Walton County, Georgia, as follows:

Section 1. The Board of Commissioners hereby approves the form of the Bond Resolution, in substantially the form attached hereto as Exhibit A, together with such supplements and amendments which may be made thereto with the consent of the Chairman.

Section 2. The execution, delivery and performance of the Contract are hereby authorized. The Chairman is hereby authorized to execute and deliver the Contract on

behalf of the County, which Contract shall be in substantially the form attached hereto as Exhibit B with such minor changes, insertions or omissions as may be approved by the Chairman, and the execution of the Contract by the Chairman as hereby authorized shall be conclusive evidence of any such approval.

Section 3. The execution, delivery and performance of the Placement Agreement is hereby authorized. The Placement Agreement shall be in substantially the form presented at this meeting presented at this meeting and which is on file and record with the Clerk of the County.

Section 4. The County is authorized and directed to cause to be prepared an answer to be filed in validation proceedings requesting that the Series 2021 Bond and the security therefor be declared valid in all respects.

Section 5. From and after the execution and delivery of the documents herein authorized, the proper officers, agents and employees of the County are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents and certificates as may be necessary to carry out and comply with the provisions of the documents herein authorized and are further authorized to take any and all further actions and to execute and deliver any and all further documents and certificates as may be necessary or desirable in connection with the issuance of the Series 2021 Bond and the execution, delivery and performance of the documents herein authorized. Without limiting the foregoing, if the Chairman is not available to execute the documents herein authorized, the Vice-Chairman shall execute such documents on the Chairman's behalf.

Section 6. The Chairman, and such other officials as may be required are directed to take such actions and to complete such transfers as are necessary to provide security for payment of the Series 2021 Bond in accordance with the Bond Resolution and any amendments or supplemental resolutions of the Authority and to fulfill the obligations of the County pursuant to the Contract, as the same may be hereafter amended, and to take such other actions as may be required in accordance with the intents and purposes of this resolution.

Section 7. All acts and doings of the officers, agents and employees of the County which are in conformity with the purposes and intents of this resolution and in furtherance of the issuance of the Series 2021 Bond and the execution, delivery and performance of the Contract and the Placement Agreement shall be, and the same hereby are, in all respects, approved and confirmed.

Section 8. No stipulation, obligation or agreement herein contained or contained in the Contract shall be deemed to be a stipulation, obligation or agreement of the Chairman or the Clerk of the County in their individual capacity, and neither the Chairman nor the Clerk of the County shall be personally liable under the Contract, the Placement Agreement or on the Series 2021 Bond or be subject to personal liability or accountability by reason of the issuance thereof.

Section 9. This resolution shall take effect immediately upon its adoption. All resolutions or parts thereof in conflict with this resolution are hereby repealed.

Adopted this 2nd day of November, 2021.

WALTON COUNTY, GEORGIA

By: _____
Chairman, Board of Commissioners

(SEAL)

Attest:

Clerk

EXHIBIT A

BOND RESOLUTION

EXHIBIT B

INTERGOVERNMENTAL CONTRACT

CLERK'S CERTIFICATE

The undersigned Clerk of Walton County, Georgia (the "County") DOES HEREBY CERTIFY that the foregoing pages of typewritten matter constitute a true and correct copy of a resolution adopted by the County, at a meeting open to the public which was duly called and assembled on the 2nd day of November, 2021, at which meeting a quorum was present and acting throughout, and that the original of the resolution appears in the minute book of the County which is in my custody and control.

WITNESS my hand this 2nd day of November, 2021.

Clerk