

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF WALTON COUNTY, GEORGIA (THE “COUNTY”), TO APPROVE THE BOND RESOLUTION OF THE WALTON INDUSTRIAL BUILDING AUTHORITY AUTHORIZING THE ISSUANCE OF THE WALTON INDUSTRIAL BUILDING AUTHORITY REVENUE BONDS (WALTON COUNTY JAIL FACILITY PROJECT), SERIES 2021 IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED \$115,000,000; TO AUTHORIZE THE EXECUTION OF A LEASE AGREEMENT BETWEEN THE AUTHORITY, AS LESSOR, AND THE COUNTY, AS LESSEE; 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 Industrial Building Authority (the “Authority”) was duly created and is validly existing pursuant to the Constitution and Laws of the State of Georgia (the “State”), including an amendment to the Constitution of the State (1962 Ga. Laws, p. 904, *et seq.*), as continued (1986 Ga. Laws, p. 4730, *et seq.*), as hereafter amended (the “Amendment”); and the Authority is now existing and operating as a body corporate and politic, and its members have been duly appointed and entered into their duties; and

WHEREAS, under the Amendment and the Revenue Bond Law (O.C.G.A. § 36-82-60 *et seq.*, as amended), the Authority has, among others, the power (a) to issue revenue bonds and use the proceeds for the purpose of paying all or part of the cost of any “undertaking”, as defined under the Revenue Bond Law, including “jails and all other structures and facilities which are necessary and convenient for the operation of jails”; and (b) to make and execute contracts and other instruments necessary to exercise the powers of the Authority; 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, the County has requested that the Authority issue its Revenue Bonds (Walton County Jail Facility Project), Series 2021, in the aggregate principal amount of not to exceed \$115,000,000 (the “Series 2021 Bonds”) to provide funds to (i) finance, in whole or in part, the cost of acquiring, constructing and installing a new jail facility (the “Project”), as more fully described in the Project Report attached as Exhibit C to the Bond Resolution (as defined below), (ii) pay capitalized interest on the Series 2021 Bonds and (iii) pay expenses necessary to accomplish the foregoing; and

WHEREAS, the Series 2021 Bonds shall be issued pursuant to a resolution of the Authority, adopted on October 19, 2021 (the “Bond Resolution”), a form of which is attached hereto as Exhibit A; and

WHEREAS, the exact aggregate principal amount of the Series 2021 Bonds and interest rates thereon will be determined by the Authority in a supplemental resolution to be adopted prior to the issuance and delivery of the Series 2021 Bonds; and

WHEREAS, the Authority and the County propose to enter into a Lease Agreement (the “Lease”), pursuant to which the Project will be leased by the Authority, as lessor, to the County, as lessee, and the County will agree to make lease payments in stated amounts which are sufficient to pay when due the principal of and interest on the Series 2021 Bonds (the “Lease Payments”); and

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

WHEREAS, the County proposes to authorize the use and distribution of a Preliminary Official Statement relating to the Series 2021 Bonds (the “Preliminary Official Statement”), authorize the execution, delivery and use of an Official Statement relating to the Series 2021 Bonds (the “Official Statement”) and “deem final” the Preliminary Official Statement for purposes of Rule 15c2-12 promulgated by the Securities and Exchange Commission; and

WHEREAS, the County proposes to enter a Bond Purchase Agreement (the “Bond Purchase Agreement”), by and among the Authority, the County, and Stifel Nicolaus & Company, Incorporated, Atlanta, Georgia (the “Underwriter”), providing for the sale of each series of the Series 2021 Bonds to the Underwriter; and

WHEREAS, the County proposes to authorize the execution, delivery and performance of a Continuing Disclosure Certificate, dated the date of the Bond Purchase Agreement (the “Disclosure Certificate”) to assist the Underwriter in complying with its obligations under Rule 15c2-12 of the Securities Exchange Act of 1934, as amended; and

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

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

The County has made a finding of fact that:

- 1) The Project is an “undertaking” as defined pursuant to the Revenue Bond Law; and

2) Following study and investigation, the County has determined that it is in the best interests to enter into the Lease with the Authority in connection with the Project for the benefit of the County and its citizens;

BE IF FURTHER RESOLVED, as follows:

1. The Board of Commissioners hereby approves the form of the Bond Resolution, adopted by the Authority on October 19, 2021, in the form attached hereto as Exhibit A, together with such supplements and amendments which may be made thereto with the consent of the Chairman.

2. The Chairman is authorized and directed to cause to be prepared an answer to be filed in validation proceedings requesting that the Series 2021 Bonds and the security therefor be declared valid in all respects.

3. The execution, delivery and performance by the County of the Lease, in substantially the form attached hereto as Exhibit B, between the County and the Authority be and the same are hereby authorized. The Chairman is authorized to agree to any amendments to the Lease as may be necessary prior to the issuance of each series of the Series 2021 Bonds, and the execution and delivery of any such amendments shall be conclusive evidence of such approval. The Clerk of the County is authorized to attest the execution by the Chairman of the Lease and to affix the seal of the County to such documents.

4. The execution, delivery and performance of the Bond Purchase Agreement are hereby authorized. The Bond Purchase Agreement shall be in substantially the form presented for approval at the meeting of the Board of Commissioners to adopt a supplemental resolution approving the final terms of the Series 2021 Bonds.

5. The execution, delivery and performance of the Disclosure Certificate are hereby authorized. The Disclosure Certificate shall be in substantially the form presented for approval at the meeting of the Board of Commissioners to adopt a supplemental resolution approving the final terms of the Series 2021 Bonds

6. Prior to the execution of the Lease, and any amendments thereto, the Bond Purchase Agreement, the Disclosure Certificate or other documents, the Chairman may approve any exhibits thereto and such other changes or additions as may be necessary and desirable to effect the purposes of this resolution, and the execution of the Lease, the Bond Purchase Agreement, the Disclosure Certificate or other documents by the Chairman shall be conclusive evidence of such approval.

7. The use and distribution of the Preliminary Official Statement are hereby ratified and approved. The use, distribution and execution of the Official Statement are hereby authorized, provided that such Official Statement is in substantially the same form as the respective Preliminary Official Statement. The execution of each such Official Statement by the

Chairman, as hereby authorized shall be conclusive evidence of the approval of any such changes.

8. The execution and delivery of one or more certificates deeming the Preliminary Official Statement final for purpose of Rule 15c2-12 promulgated under the Securities and Exchange Act of 1934, as amended, are hereby authorized and approved.

9. The Chairman, Clerk of the County, 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 Bonds 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 Lease, 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.

10. The Chairman is hereby authorized to execute and deliver a certification, based upon facts, estimates and circumstances, as to reasonable expectations regarding the amount, expenditure and use of the proceeds of the Series 2021 Bonds, as well as such other documents as may be necessary or desirable in connection with the issuance and delivery of the Series 2021 Bonds. The County hereby adopts and agrees to comply with the Tax Policy, attached hereto as Exhibit C.

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

12. From and after the execution and delivery of the Lease, and any amendments thereto, the Bond Purchase Agreement and the Disclosure Certificate, the Chairman is hereby authorized, empowered, and directed to perform all actions and things, relating to the Lease and the issuance of the Series 2021 Bonds, and to execute all such documents as may be necessary to carry out and comply with the provisions of said Lease, and any amendments thereto, as executed, and is further authorized to take any and all further actions and execute and deliver any and all other documents and certificates as may be necessary or desirable in connection with the issuance of the Series 2021 Bonds and the execution and delivery of the Lease. The Clerk of County is authorized, empowered, and directed to attest the signatures of the Chairman, as and if necessary, with the signatures of such persons to be conclusive evidence of their authority to do and perform such actions and things.

13. All acts and doings of the Chairman which are in conformity with the purposes and intents of this Resolution and in the furtherance of the issuance of the Series 2021 Bonds and the execution, delivery and performance of the Lease, and any amendments thereto, the Bond Purchase Agreement and the Disclosure Certificate shall be, and the same hereby are, in all respects approved and confirmed.

14. If any one or more of the agreements or provisions herein contained shall be held contrary to any express provision of law or contrary to the policy of express law, though not

expressly prohibited, or against public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements or provisions shall be null and void and shall be deemed separable from the remaining agreements and provisions and shall in no way affect the validity of any of the other agreements and provisions hereof.

15. All ordinances, resolutions or parts thereof of the County in conflict with the provisions herein contained are, to the extent of such conflict, hereby superseded and repealed.

16. This Resolution shall take effect immediately upon its adoption.

SO RESOLVED, this 2nd day of November, 2021.

WALTON COUNTY, GEORGIA

By: _____
Chairman

(S E A L)

Attest: _____
Clerk

Exhibit A

Bond Resolution

Exhibit B

Lease Agreement

Exhibit C

POLICY WITH RESPECT TO TAX-EXEMPT DEBT

WHEREAS, Walton County, Georgia (the “**Issuer**”) is a political subdivision duly created and organized under the Constitution and laws of the State of Georgia; and

WHEREAS, the Issuer has previously issued, may in the future issue or may be the beneficiary of one or more series of governmental purpose bonds or other form of tax-exempt obligations (the “**Tax-Exempt Bonds**”) the interest on which is excluded from gross income of the owners thereof pursuant to Sections 103 and 141-150 of the Internal Revenue Code of 1986, as amended (the “**Code**”); and

WHEREAS, in connection with the issuance of each series of Tax-Exempt Bonds, the Issuer has executed or will execute covenants and certificates wherein the Issuer represents that it expects and intends to be able to comply with and will, to the extent permitted by law, comply with the provisions and procedures set forth in such covenants and certificates and will do and perform all acts and things necessary or desirable in order to assure that the interest on the series of Tax-Exempt Bonds to which such covenants and certificates relate will be excluded from gross income of the owners thereof for federal income tax purposes; and

WHEREAS, upon recommendation of the Internal Revenue Service (the “**IRS**”), the Issuer has determined that it is advantageous and in the best interests of the Issuer and the owners of the Tax-Exempt Bonds to adopt -

Incorporation of Tax Closing Documents. This Policy shall be deemed to include and hereby incorporates all covenants, certificates, instructions and information reporting documentation contained in the closing transcript or record of proceedings for any series of Tax-Exempt Bonds, whether executed in connection with the issuance of any such series of obligations or executed post-closing, (the “**Tax Closing Documentation**”) for each issue of Tax-Exempt Bonds of the Issuer.

Assignment of Responsibility. The Issuer hereby assigns the responsibility for post-issuance compliance set forth in this Resolution to the Chief Financial Officer of the Issuer. Such officer is hereby designated the Post-Issuance Compliance Officer (the “**PICO**”). Some or all of the responsibilities of the PICO may be assigned by the Issuer to another officer or employee of the Issuer (the “**Authorized Representatives**”).

Tax Documentation and Retention. The PICO will assemble and document to his or her satisfaction the location of all Tax Closing Documentation for each issue of Tax-Exempt Bonds of the Issuer issued for the benefit of their respective governments. All Tax Closing Documentation accumulated for each series of Tax-Exempt Bonds shall be maintained for a period of three (3) years following the final maturity of the Tax-Exempt Bonds.

IRS Correspondence and Audits. The PICO will consult with qualified bond counsel immediately upon receipt of any correspondence from, or opening of an examination of any type with respect to Tax-Exempt Bonds of the Issuer by, the IRS.

Periodic Review Requirements. The PICO will review the implementation of the PICPP set forth in this Policy with the Issuer at least annually during the term of any outstanding series of Tax-Exempt Bonds.

Training Requirements. The PICO will develop a training program that is designed to inform any successor PICO of the requirements of the PICPP and periodically train all the Authorized Representatives of their duties under the PICPP. Such training program may be developed with internal materials and shall include a review of the Code and the IRS's website established for the use of the tax-exempt bond community located at <http://www.irs.gov/taxexemptbond/index.html?navmenu=menu1>.

Approval and Adoption. The Issuer hereby approves and adopts the PICPP set forth in this Policy.

Time is of the Essence. The Issuer hereby authorizes and directs the PICO and any designated Authorized Representatives to take such actions deemed necessary, appropriate or desirable to effect the implementation of the PICPP set forth in this Policy immediately.

CLERK'S CERTIFICATE

The undersigned does hereby certify that the foregoing pages of typewritten matter constitute a true and correct copy of a resolution pertaining to Walton County, Georgia (the "County"), which resolution was duly adopted at a meeting of the Board of Commissioners of the County duly called and assembled on November 2, 2021, and at which a quorum was present and acting throughout and that the original of said resolution appears of record in the minute book of the Board of Commissioners of the County which is in my custody and control, and that said resolution has not been amended, repealed, revoked or rescinded as of the date hereof.

Given under my hand and the seal of the County this 2nd day of November, 2021.

(S E A L)

Clerk