

MINUTES

The Spalding County Board of Commissioners held a Special Called Meeting in Room 108 in the Courthouse Annex, Thursday, February 18, 2016, beginning at 9:04 a.m. with Chairperson Rita Johnson presiding. Commissioners Bart Miller, Raymond Ray and Donald Hawbaker were present. Commissioner Gwen Flowers-Taylor was absent from the meeting. Also present County Manager, William P. Wilson, Jr., County Attorney, Stephanie Windham for James Fortune and Executive Secretary, Kathy Gibson to record the minutes.

- A. CALL TO ORDER** by Chairperson Rita Johnson.
- B. INVOCATION** led by Commissioner Donald Hawbaker.
- C. PLEDGE TO FLAG** led by Commissioner Bart Miller.
- D. AGENDA ITEMS**

1. Consider approval of a Resolution to Implement a 1% Sales and Use Tax to provide for the sale of \$8,800,000 Spalding County, Georgia General Obligation Sales Tax Bonds, the approval of a form of such Bonds, the naming of a paying agent, the levy of a tax to pay the principal of and interest on such bonds, the authorization of the execution and delivery of a custodial agreement, bond purchase agreement and continuing disclosure certificate relating to such bonds and for other purposes.

Mr. Wilson stated that we had a good day yesterday and Todd Barnes of Raymond James is here to tell us about the bonds that we sold yesterday.

Todd Barnes, Managing Director, Raymond James, stated that we did have a good sale in the marketplace yesterday and he provided everyone with a handout to summarize what was done. Mr. Barnes stated that they sold the \$8.8 million dollars in Bonds that was authorized in the referendum.

He pointed out that yield rate at which the bonds were sold is 1.20%. He added that this interest rate is within two points of the lows that were experienced in in 2012 which matched the historical lows from 1965 in the Bond Markets. When you combine that with the fact that you were selling bonds that will mature in six years (2022) puts you on the short end of the scale which further indicates that you are getting very, very low rates which is to the County's advantage.

Mr. Barnes then advised that due to the investors paying more than 100% of the dollar amount of the bonds in order to protect their investments in case of a rise in interest rates, they sold \$8.8 million in bonds which generated \$9.8 million in proceeds for the County to

work with. Closing will take place on March 1 and they will wire \$6.5 million into the County's project fund and they will send wires to each of the banks holding the debt service to be paid off by SPLOST funds.

Mr. Barnes then covered the debt service schedule which is structured to pay interest only in the first few years in order to provide more dollars from the sales tax to do the pay as you go projects. Principle and interest will be paid on the bonds in the last three years of the program.

Mr. Barnes again stated it was a really good sale, with a wide variety of buyers, there were approximately 25 investors that purchased the bonds which included a mix of banks, individuals and money managers who are buying on behalf of individuals. All of the bonds were sold. He advised that if all of the paperwork is approved today and the necessary signatures are obtained, a closing will take place on March 1st.

U.S. Bank is being named as the custodian of the funds, so as the SPLOST funds come in they will be depositing the money into the different accounts for the County, the City of Griffin, Sunny Side and Orchard Hill. Sunny Side and Orchard Hill are scheduled to get their total SPLOST funds in the first two months to complete their projects, the remaining funds will be distributed between Spalding County and the City of Griffin until the \$50.4 million is reached, then anything in excess of that amount will be distributed between the County and the three cities.

A RESOLUTION TO PROVIDE FOR: (1) THE SALE OF \$8,800,000 SPALDING COUNTY, GEORGIA GENERAL OBLIGATION SALES TAX BONDS; (2) THE APPROVAL OF A FORM OF SUCH BONDS; (3) THE NAMING OF A PAYING AGENT; (4) THE LEVY OF A TAX TO PAY THE PRINCIPAL OF AND INTEREST ON SUCH BONDS; (5) THE AUTHORIZATION OF THE EXECUTION AND DELIVERY OF A CUSTODIAL AGREEMENT, BOND PURCHASE AGREEMENT AND CONTINUING DISCLOSURE CERTIFICATE RELATING TO SUCH BONDS; AND (6) OTHER PURPOSES:

WHEREAS, Article 3 of Chapter 8 of Title 48 of the Official Code of Georgia Annotated, as amended (the "Sales Tax Act") authorizes the imposition of a one percent sales and use tax for the purpose, inter alia, of financing certain capital outlay projects; and

WHEREAS, the Board of Commissioners of Spalding County has determined that it is in the best interest of the citizens of Spalding County (the "County") that a one percent sales and use tax (the "Sales and Use Tax") be imposed in the County to raise an estimated amount of \$50,400,000 for the purpose of financing (i) for the County (A) retirement or payment of outstanding indebtedness for the acquisition of Correctional Facility, Administrative Building, Senior Center Furniture, Fire Trucks and LB Norton Fire Station, (B) acquisition and installation of a Computer Aided Dispatch (CAD) and Phone System for E911, (C) equipment for the Senior Nutrition Program, (D) judicial computers/software upgrades, (E) acquisition and construction of a recreation facility to be used for "pickleball", (F) Fairmont/Heritage Park improvements, (G) acquisition and installation of lighting for soccer at Wyomia Tyus Park, (H) relocation of 800 MHz Equipment from Highway 155, (I) resurfacing, paving and repair of roads, streets and bridges and other transportation improvements, (J) acquisition and equipping of fire trucks, tankers and extraction tools for the Fire Department, (K) renovation of the Animal Control Facility, (L) acquisition and equipping of materials and technology for Griffin-Spalding Library System, (M) improvements to AMBUCS Park, City Park, Dundee Lake Park and Wyomia

Tyus Park, (N) construction and equipping of a new Aquatics Center, and (O) acquisition of vehicles and equipment for the Sheriff's Department Gang Reduction and Intervention Program (GRIP); (ii) for the City of Griffin ("Griffin") (A) roads, streets, bridges and transportation improvements, (B) retirement or payment of outstanding indebtedness for the acquisition of One Griffin Center, (C) acquisition, construction and installation of a replacement fire headquarters and aerial truck, (D) remodeling and repurposing of Historic City Hall, and (E) acquisition of property in blighted areas or on which an existing structure is substandard, deteriorated, or dilapidated and capital expenses for community redevelopment and the eradications of slums and blight; (iii) for the City of Orchard Hill ("Orchard Hill") (A) early storm warning system, (B) drainage pipe on Johnston Road, (C) refurbish water tank, (D) telephone pole on Macon/County Line Road, (E) roads, streets, bridges and transportation improvements, (F) park improvements including three new pavilions, (G) new utility building and (H) inter-city road improvements and equipment; and (iv) for the City of Sunny Side ("Sunny Side" and, together with Griffin and Orchard Hill, the "Cities") (A) solar powered speed limit signs, (B) tornado warning sirens, (C) 3-way LED caution light, (D) playground unit with concrete base, (E) roads, streets, bridges and transportation improvements, and (F) sanitary sewer study (collectively, the "Projects"); and

WHEREAS, the County, Griffin, Orchard Hill and Sunny Side have entered into a Special Purpose Local Option Sales Tax Intergovernmental Contract, effective as of August 3, 2015 (the "Intergovernmental Contract"), with respect to, among other things, the division of the proceeds of such Sales and Use Tax to be used to finance the Projects; and

WHEREAS, an election was duly called and held in Spalding County, Georgia on the 3rd day of November, 2015 (the "Election"), and a majority of the registered voters of such County voting in such Election voted in favor of the imposition of the Sales and Use Tax and the issuance of Spalding County, Georgia General Obligation Sales Tax Bonds (the "Bonds") in the aggregate principal amount of up to \$8,800,000 for the purpose of funding the Projects of the County listed in (i) (A), (B), (C), (D), (E), (F), (G) and (H), above (the "Bond Financed Projects"); and

WHEREAS, the Election authorized the Bonds to be issued in the aggregate principal amount of up to \$8,800,000 and the proceeds from the sale of the Bonds to be applied by the County for the cost of the Bond Financed Projects and for the payment of costs associated with the issuance of the Bonds; and

WHEREAS, Raymond James & Associates, Inc. (the "Underwriter") has offered to purchase the Bonds pursuant to the terms contained in a Bond Purchase Agreement relating to the Bonds (the "Purchase Agreement"); and

WHEREAS, it is necessary, in order to issue and deliver the Bonds, to accept and approve the form and terms of the Bond Purchase Agreement, to approve the form of the Bond, to authorize the execution and delivery of the Bonds, and to levy an annual tax if necessary on the taxable property within the limits of the County to pay the principal of and interest on the Bonds as the same become due; and

WHEREAS, the Bonds shall be first payable from the proceeds received by the County from the imposition of the Sales and Use Tax on all sales and uses in the County levied pursuant to the Sales Tax Act, which Sales and Use Tax was authorized to be levied in the County at the Election heretofore described; and

WHEREAS, the Sales Tax Act requires that the County segregate the proceeds of the Sales and Use Tax received by the County and apply the proceeds of the same to the payment of the Bonds and to the payment of costs of the Projects not being paid from the proceeds of the Bonds; and

WHEREAS, to facilitate the payment of the Bonds, the County proposes to authorize and direct the State of Georgia, Department of Revenue, Sales and Use Tax Division to remit all proceeds of the Sales and Use Tax directly to U.S. Bank National Association, as sales tax custodian (in such capacity, the "Custodian") pursuant to the Custodial Agreement, dated as of March 1, 2016 (the "Custodial Agreement"), between the County, Orchard Hill, Sunny Side and the Custodian, delivered simultaneously with the issuance of the Bonds; and

WHEREAS, the County proposes to designate a Paying Agent, Bond Registrar and Authenticating Agent with respect to the Bonds; and

NOW, THEREFORE, BE IT RESOLVED by the BOARD OF COMMISSIONERS OF SPALDING COUNTY, and it is hereby resolved by authority of the same as follows:

Section 1. Terms of Bonds; Payment; Use of Proceeds. The Bonds shall be designated as "Spalding County, Georgia General Obligation Sales Tax Bonds, Series 2016." The Bonds shall be dated their date of issuance, shall be issued in the denomination of \$5,000 each, or any integral multiple thereof, and shall be numbered R-1 upward in order of issuance as shown on the books of the bond registrar. The Bonds shall bear interest on each January 1 and July 1 (each an "Interest Payment Date") commencing July 1, 2016 until maturity at the respective rates per annum set forth below (based upon a 360-day year comprised of twelve 30-day months). The principal of the Bonds shall mature on July 1, in the years and principal amounts, as follows:

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2020	\$2,870,000	3.00%
2021	2,930,000	4.00%
2022	1,400,000	2.50%
2022	1,600,000	4.00%

The proceeds of the Bonds will be expended for the purpose of funding the Bond Financed Projects and paying costs of issuance of the Bonds.

Section 2. Authorization of Purchase Agreement. The execution, delivery and performance by the County of the Purchase Agreement are hereby authorized. The Purchase Agreement shall be in substantially the form attached hereto as Exhibit B, with such changes, insertions or omissions as may be approved by the Chairman of the Board of Commissioners of the County, and the execution and delivery of the Purchase Agreement by the Chairman of the Board of Commissioners of the County as hereby authorized shall be conclusive evidence of any such approval.

Section 3. Designation of Paying Agent, Bond Registrar and Authenticating Agent. The principal of and interest on the Bonds shall be payable at the principal office of U.S. Bank National Association, as Paying Agent (in such capacity, the "Paying Agent"), in lawful money of the United

States of America. The Paying Agent is also hereby designated as Bond Registrar and Authenticating Agent (in such capacities, the "Bond Registrar").

Section 4. Debt Service Schedule. The County does hereby determine that for the purpose of paying the principal of and interest on the Bonds, it is necessary to raise by a tax on all the taxable property in the County subject to taxation for general obligation bond purposes, the sums in each of the years as more fully set forth in Exhibit A attached hereto and made a part hereof.

Section 5. Execution of Bonds by County. The Bonds shall be executed by the manual or facsimile signature of the Chairman of the Board of Commissioners and the corporate seal of the County shall be imprinted or impressed thereon and attested by the manual or facsimile signature of the Clerk. In case any officer whose signature shall be affixed to the Bonds shall cease to be such officer before the Bonds so executed shall have been actually delivered, the Bonds nevertheless shall be valid Bonds of the County and may be delivered as such notwithstanding the fact that such officer or officers may have ceased to be such officer or officers of the County when the Bonds are actually delivered.

Bond Form. The Bonds, the certificate of validation and the provision for registration or transfer shall be in substantially the following form:

UNITED STATES OF AMERICA
STATE OF GEORGIA
SPALDING COUNTY, GEORGIA
GENERAL OBLIGATION SALES TAX BONDS
SERIES 2016

No.R-_____ \$_____

Bond Date: Maturity Date: Interest Rate: CUSIP:
March 1, 2016 July 1, _____ _____% _____

KNOW ALL MEN BY THESE PRESENTS: That Spalding County, Georgia (the "County") hereby acknowledges itself to owe, and for value received hereby promises to pay to CEDE & CO., a nominee of The Depository Trust Company, or registered assigns, in lawful money of the United States of America, the principal sum shown above on the date indicated above, unless redeemed prior thereto as hereinafter provided, at the principal office of the Bond Registrar and Paying Agent, U.S. Bank National Association (the "Paying Agent" or the "Bond Registrar"), and interest hereon at the rate per annum set forth above (computed on the basis of a 360-day year comprised of twelve 30-day months), payable semiannually on the first days of January and July in each year (each an "Interest Payment Date"), commencing July 1, 2016 from the Interest Payment Date next preceding the date of authentication and registration hereof to which interest has previously been paid (unless the date of authentication and registration hereof is prior to July 1, 2016, in which event

from March 1, 2016, or unless the date of authentication and registration is an Interest Payment Date, in which event from the date of authentication hereof, or unless the date of authentication and registration hereof is after a Record Date (hereinafter defined) and before the next succeeding Interest Payment Date, in which event from such next succeeding Interest Payment Date) until payment of the principal amount hereof. Except as provided below, the principal hereof shall be paid only upon surrender of this bond at the principal office of the Paying Agent. The interest hereon shall be paid to the person in whose name this bond is registered at the close of business on the 15th day of the calendar month preceding each Interest Payment Date (each such date a "Record Date") by check or draft, drawn on the Paying Agent, and mailed on the date due, by first class mail, postage prepaid, to such person at the address on the books of registry kept by the Bond Registrar. Interest on this bond is payable to any registered owner of more than \$1,000,000 in aggregate principal amount of bonds by wire transfer to such registered owner if written wire transfer instructions are given to the Paying Agent prior to the Record Date, and principal and interest on this Bond while registered in the name of The Depository Trust Company or its nominee may be paid in accordance with the procedures of The Depository Trust Company.

This Bond is one of an issue of like tenor except as to numbers, interest rates, redemption provisions and dates of maturity aggregating in principal amount the sum of \$8,800,000 authorized by a resolution of the Board of Commissioners of the County adopted February 18, 2016 (the "Resolution"), approved by a majority of the voters of the County voting in an election held on November 3, 2015 (the "Election").

The Bonds may be issued only in registered form in the denomination of \$5,000 or integral multiples thereof. The person in whose name this bond is registered on the registration books kept by the Bond Registrar shall be deemed to be the owner of this bond for all purposes. If the Bonds are no longer registered to a securities depository or its nominee, the ownership of this bond may be registered as transferred by the registered owner hereof in person or by the owner's attorney duly authorized in writing, but only in the manner, subject to the limitations specified in the Resolution, and upon surrender and cancellation of this bond. Upon such registration of transfer, a new bond or bonds of the same maturity, interest rate, aggregate principal amount and tenor and of any authorized denomination or denominations will be issued to the transferee in exchange therefor. In addition, if the bonds are no longer registered to a securities depository, this bond, upon the surrender thereof at the designated corporate trust office of the Bond Registrar with a written instrument of transfer satisfactory to the Bond Registrar executed by the owner or the owner's attorney duly authorized in writing, may, at the option of the owner, be exchanged for an equal aggregate principal amount of bonds of the same maturity, interest rate, aggregate principal amount and tenor of any authorized denomination or denominations, in the manner and subject to the conditions provided in the Resolution.

This Bond is not subject to redemption prior to its maturity.

Pursuant to Article 3 of Chapter 8 of Title 48 of the Official Code of Georgia Annotated, as amended (the "Sales Tax Act"), and as approved in the Election, there has been imposed upon all sales and uses in the County a one percent sales and use tax (the "Sales and Use Tax") for a period of time of not to exceed twenty-four calendar quarters for the purpose of making certain capital improvements in the County, the City of Griffin, Georgia, the City of

Orchard Hill, Georgia (“Orchard Hill”) and the City of Sunny Side, Georgia (“Sunny Side”) and for paying the principal and interest on the Bonds. Pursuant to a Custodial Agreement, dated as of March 1, 2016 (the “Custodial Agreement”), between the County, Orchard Hill, Sunny Side and U.S. Bank National Association, as custodian (in such capacity, the “Custodian”), the County has agreed to cause to be paid to the Custodian sufficient proceeds from the Sales and Use Tax for the Custodian to pay to the Paying Agent amounts sufficient to make payments of principal and interest on the Bonds as the same become due and payable.

In addition, the County has levied an ad valorem tax on all property in the County subject to ad valorem taxation for bond purposes in sufficient amounts to meet all payments of principal and interest on the Bonds should the proceeds of the Sales and Use Tax be insufficient.

It is further certified and recited that all acts, conditions and things required by the Constitution or laws of the State of Georgia to exist, be performed or to happen precedent to and in the issuance of this Bond exist, have been performed and have happened in due and regular form as required by law, that provision has been made for the collection of a direct annual tax sufficient to pay the principal of and interest on this Bond in accordance with its terms and that the total indebtedness of the County, including this Bond, does not exceed any limitation prescribed by such Constitution or laws.

This Bond shall not be entitled to any benefit under the Resolution and shall not become valid or obligatory for any purpose until it shall have been authenticated by execution by the Bond Registrar by manual signature of the certificate of authentication endorsed hereon.

IN WITNESS WHEREOF, the County, acting by and through its Board of Commissioners, has caused this Bond to be executed in its name by its Chairman, its corporate seal to be hereunto printed or affixed and attested by the Clerk of the County.

SPALDING COUNTY, GEORGIA

By: _____
Chairman, Board of Commissioners
Spalding County, Georgia

(SEAL)

Attest:

Clerk, Spalding County Georgia

AUTHENTICATION CERTIFICATE

The foregoing Bond is one of the Bonds described in the within mentioned authorizing resolution and is hereby authenticated as of the date set forth above.

DATE OF AUTHENTICATION:

U.S. BANK NATIONAL ASSOCIATION,
Authentication Agent & Bond Registrar

Authorized Signatory

VALIDATION CERTIFICATE

STATE OF GEORGIA

COUNTY OF SPALDING

The undersigned Clerk of the Superior Court of Spalding County, Georgia, does hereby certify that this Bond was validated and confirmed by judgment of the Superior Court of Spalding County, Georgia on the 14th day of December, 2015, Civil Action File No. 15V1413TRH, that no intervention or objection was filed to the validation of this Bond and that no appeal of such judgment of validation has been taken.

IN WITNESS WHEREOF, I have hereunto caused to be affixed or imprinted my manual or facsimile signature and the official seal of the Superior Court of Spalding County, Georgia.

(SEAL)

Clerk, Superior Court,
Spalding County, Georgia

ASSIGNMENT FOR TRANSFER

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto

PLEASE INSERT SOCIAL SECURITY
OR OTHER IDENTIFYING NUMBER
OF ASSIGNEE

the within bond of SPALDING COUNTY and does hereby constitute and appoint _____ attorney to transfer the said bond on the books of the Bond Registrar, with full power of substitution in the premise.

Date:

In the presence of: _____

Bondholder

NOTICE: The signature to this Assignment must correspond with the name as it appears upon the face of the within bond in every particular, without alteration or enlargement or any change whatever.

Notice: Signature(s) must be guaranteed by an institution which is a participant in the Securities Transfer Agent Medallion Program ("STAMP") or similar program.

* * * * *

(END OF BOND FORM)

Section 7. Authorization of a Preliminary Official Statement and Official Statement; Deemed Final Certificate and Continuing Disclosure. The use and distribution by the Underwriter of the Preliminary Official Statement, dated February 5, 2016, relating to the Bonds is hereby ratified and approved. The execution, use and distribution of the Official Statement relating to the Bonds are hereby authorized and approved. The Official Statement shall be in substantially the same form as the Preliminary Official Statement subject to such changes, additions or deletions as may be approved by the Chairman of the Board of Commissioners, and the execution of the Official Statement by the Chairman of the Board of Commissioners as hereby authorized shall be conclusive of such approval. The Chairman of the Board of Commissioners is hereby authorized to execute a certificate on behalf of the County under which he deems the Preliminary Official Statement final as of its date for purposes of Rule 15c2-12 promulgated under the Securities Exchange Act of 1934, as amended (the "Rule"), except for information concerning the offering price(s), interest rate(s), selling compensation, aggregate principal amount, principal amount per maturity, delivery dates, ratings, the identity of the underwriter and other terms of the Bonds and any underlying obligations depending on such matters. The execution, delivery and performance of the Continuing Disclosure Certificate relating to the Bonds and the County is hereby authorized. Such Continuing Disclosure Certificate shall be in substantially the form approved by the Chairman of the Board of Commissioners and the execution of such Continuing Disclosure Certificate by the Chairman of the Board of Commissioners as hereby approved shall be conclusive evidence of such approval.

Section 8. Delivery of Bonds. The Chairman of the Board of Commissioners of the County is hereby authorized to deliver the Bonds to or for the account of the Underwriter thereof upon payment of the purchase price therefor as provided in the Purchase Agreement. The Chairman and Clerk of the Board of Commissioners of the County are hereby authorized and directed to prepare and furnish to the purchasers of the Bonds, when the Bonds are issued, certified copies of all proceedings and records of the County relating to the Bonds and such other affidavits and certificates as may be required to show the facts relating to the legality and marketability of the Bonds as such facts appear from the books and records in the Board of Commissioners' custody and control or as otherwise known to them, and all such certified copies, certificates and affidavits, including any heretofore furnished, shall constitute representations of the County as to the truth of all statements contained therein.

Section 9. Authentication of Bonds. Only such Bonds as shall have endorsed thereon a certificate of authentication substantially in the form hereinabove set forth duly executed by the Bond Registrar shall be deemed to be validly issued hereunder. No Bonds shall be valid or obligatory for any purpose unless and until such certificate of authentication shall have been executed by the Bond Registrar, and such executed certificate of the Bond Registrar upon any such Bond shall be conclusive evidence that such Bond has been authenticated and delivered hereunder. Said certificate of authentication on any Bond signed by an authorized signatory shall be deemed to have been executed by the Bond Registrar, but it shall not be necessary that the same authorized signatory sign the certificate of authentication on all of the Bonds.

Section 10. Medium and Places of Payment. The principal of and interest on the Bonds shall be payable in any coin or currency of the United States of America, which at the time of payment is legal tender for the payment of public and private debts. The principal and interest on the Bonds shall be payable as provided in the form of Bond approved in this resolution.

All Bonds may have endorsed thereon such legends, text or identification numbers as may be necessary or appropriate to conform to any applicable rules and regulations of any governmental authority or of any securities exchange on which the Bonds may be listed or any usage or requirement of law with respect thereto.

Section 11. Registration of Transfer and Exchange of Bonds. The Bond Registrar shall cause books for the registration of transfer of the Bonds to be kept. Bonds may be registered as transferred on the books of registration by the registered owner thereof in person or by his duly authorized attorney, upon surrender thereof, together with a written instrument of transfer executed by the owner or his duly authorized attorney. Upon surrender for registration of transfer of any Bond at the principal corporate office of the Bond Registrar, the County shall execute, and the Bond Registrar shall authenticate, and deliver in the name of the transferee or transferees a new Bond or Bonds of the same maturity, interest rate, aggregate principal amount and tenor and of any authorized denomination or denominations (\$5,000 or integral multiples thereof), numbered consecutively in order of issuance according to the records of the Bond Registrar.

The Bonds may be exchanged at the designated corporate office of the Bond Registrar for an equal aggregate principal amount of Bonds of the same maturity, interest rate, aggregate principal amount and tenor and of any authorized denomination or denominations. The County shall execute, and the Bond Registrar shall authenticate and deliver, Bonds which the bondholder making such exchange is entitled to receive, bearing numbers not contemporaneously then outstanding.

Such registration of transfers or exchanges of Bonds shall be without charge to the owner of such Bonds, but any tax or other governmental charge, required to be paid with respect to the same shall be paid by the owner of the Bond requesting such registration of transfer or exchange as a condition precedent to the exercise of such privilege. The Bond Registrar is not required to register as transferred or exchange any Bond after notice of redemption has been given or for 15 days prior to the giving of such notice.

All Bonds surrendered upon any registration of transfer provided for in this Resolution shall be promptly canceled or destroyed by the Bond Registrar and shall not be reissued. Upon request of the County a certificate

evidencing such cancellation or destruction shall be furnished by the Bond Registrar to the County.

Section 12. Registered Owners. The person in whose name any Bond shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of or on account of either principal or interest shall be made only to or upon the order of the registered owner thereof or his duly authorized attorney, but such registration may be changed as hereinabove provided. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

Section 13. Continuing Request. The inclusion of the foregoing provisions shall constitute (i) a continuing request from the County to the Clerk of the Superior Court of Spalding County, unless his/her signature shall occur by facsimile, to execute the certificate of validation on any replacement Bonds issued pursuant hereto, and (ii) the appointment of the Bond Registrar as agent for the County to do any and all things necessary to affect any replacement, exchange or registration of transfer.

Section 14. Mutilated or Destroyed Bonds. In case any Bond shall become mutilated or be destroyed or lost, the County may cause to be executed, authenticated and delivered a new Bond of like date and tenor in exchange or substitution for any such Bond upon, in the case of mutilated Bonds, surrender of such Bonds, or in the case of destroyed or lost Bonds, the owners filing with the County, the Paying Agent and the Bond Registrar evidence satisfactory to them that such Bond was destroyed or lost and providing indemnity satisfactory to them. If any such Bond shall have matured, instead of issuing a new Bond, the County may pay the same.

Section 15. Global Form; Securities Depository; Ownership of Bonds.

Upon the initial issuance, the ownership of each Bond shall be registered in the name of the Securities Depository or the Securities Depository Nominee, and ownership thereof shall be maintained in Book-Entry Form by the Securities Depository for the account of the Agent Members thereof. Initially, each maturity of the Bonds shall be registered in the name of Cede & Co., as the nominee of The Depository Trust Company.

If at any time (i) the County determines that the Securities Depository is incapable of discharging its responsibilities described herein, (ii) if the Securities Depository notifies the County that it is unwilling or unable to continue as Securities Depository with respect to the Bonds, or (iii) if the Securities Depository shall no longer be registered or in good standing under the Securities Exchange Act of 1934 or other applicable statute or regulation and a successor Securities Depository is not appointed by the County within 90 days after the County receives notice or becomes aware of such condition, as the case may be, then this Section shall no longer be applicable and the County shall execute and the Paying Agent shall authenticate and deliver certificates representing the Bonds to the bondholders. Bonds issued pursuant to this subsection shall be registered in such names and authorized denominations as the Securities Depository, pursuant to instructions from the Agent Member or otherwise, shall instruct the Paying Agent. Upon exchange, the Paying Agent shall deliver such bonds representing the Bonds to the persons in whose names such Bonds are so registered.

For purposes of this Resolution, the following terms shall have the meanings set forth below:

“Agent Member” means a member of, or participant in, the Securities Depository.

“Book-Entry Form” or “Book-Entry System” means, with respect to the Bonds, a form or system, as applicable, under which (i) the ownership of beneficial interests in the Bonds may be transferred only through book-entry and (ii) physical Bonds in fully registered form are registered only in the name of a Securities Depository or its nominee as holder, with physical Bonds in the custody of a Securities Depository.

“Securities Depository” means any securities depository that is a “clearing corporation” within the meaning of the New York Uniform Commercial Code and a “clearing agency” registered pursuant to provisions of Section 17A of the Securities Exchange Act of 1934, operating and maintaining, with its participants or otherwise, a Book-Entry System to record ownership of beneficial interest in bonds and bond service charges, and to effect transfers of bonds in Book-Entry Form, and means, initially, The Depository Trust Company (a limited purpose trust company), New York, New York.

“Securities Depository Nominee” means any nominee of a Securities Depository and shall initially mean Cede and Co., New York, New York, as nominee of The Depository Trust Company.

Section 16. Custodial Agreement for Sales and Use Tax Proceeds. The execution, delivery and performance by the County of the Custodial Agreement is hereby authorized. The Custodial Agreement shall be in substantially the form attached hereto as Exhibit C, with such changes, insertions or omissions as may be approved by the Chairman of the Board of Commissioners of the County, and the execution and delivery of the Custodial Agreement by the Chairman of the Board of Commissioners of the County as hereby authorized shall be conclusive evidence of any such approval. The County may, by resolution prior to or after the date of initial issuance of the Bonds, designate another Custodian to substitute for the Custodian herein named as a party to the Custodial Agreement hereby authorized.

Section 17. Levy of Tax. In compliance with Article IX, Section V, Paragraph VI of the Constitution of the State of Georgia, there is hereby levied a continuing direct annual tax on all taxable property within the limits of the County as the same shall now exist and within any future extensions thereof, sufficient to produce sums which, in addition to the pledged proceeds of the sales and use taxes referred to in the Custodial Agreement, will be sufficient to pay principal and interest on the Bonds as they come due and as set forth on Exhibit A, and the same are hereby irrevocably pledged and appropriated to the payment of the principal of and interest on the Bonds, and provision to meet the requirements of this resolution shall hereafter be made in due time and manner, in the annual appropriation resolution of the County, so that the Bonds, including both principal and interest, shall be fully paid as the same mature.

Section 18. Pledge of Sales and Use Tax. Based upon historical levels of sales and use taxes collected in the County, and the required debt service on the Bonds, the County hereby determines that during each year in which any payment of principal or interest on the Bonds comes due, the County will receive from its portion of the Sales and Use Tax net proceeds sufficient to fully satisfy its liability for debt service on the Bonds. The County’s portion of the proceeds of the Sales and Use Tax are hereby pledged irrevocably to the

extent provided in the Custodial Agreement to the payment of the principal of and interest on the Bonds.

The State of Georgia, Department of Revenue, Sales and Use Tax Division is hereby directed to remit all proceeds of the Sales and Use Tax being collected in Spalding County to the Custodian. Such proceeds (other than the portion thereof allocable to Griffin) shall be deposited by the Custodian in accordance with the provisions of the Intergovernmental Contract. The Sales and Use Tax proceeds on deposit with the Custodian in the County Sinking Fund shall be used to pay first the debt service requirements on the Bonds as set forth in Exhibit A; thereafter, any Sales and Use Tax proceeds in the County Sinking Fund (as defined in the Custodial Agreement) above the amount equal to accrued but unpaid debt service payments on the Bonds shall be remitted to the County as set forth in the Intergovernmental Contract and shall be used and applied towards the costs of the Projects not being paid from the proceeds of the Bonds and as required by the Sales Tax Act.

Section 19. Bond Proceeds Sub-Account. Pursuant to the Custodial Agreement, the County has agreed to establish a special trust fund designated as the "Spalding Project Fund" with the Custodian. The Spalding Project Fund shall contain a special account designated the "Bond Proceeds Sub-Account" into which the net proceeds received from the sale of the Bonds shall be deposited. The net bond proceeds deposited into the Bond Proceeds Sub-Account shall be applied to the costs of the Bond Financed Projects and for the payment of the cost of issuing the Bonds. Such moneys as are deposited in the Bond Proceeds Sub-Account shall be held by the Custodian and withdrawn only in accordance with the provisions and restrictions set forth in Section 20 hereof.

Section 20. Use of Proceeds in Bond Proceeds Sub-Account. Any moneys in the Bond Proceeds Sub-Account may, upon written direction of the County, be invested and reinvested by the Custodian in any investments permitted under the Constitution and the laws of the State of Georgia for the investment of bond proceeds by a governmental entity like the County, including, but not limited to, the following investments:

(i) The local government investment pool created in Chapter 83 of Title 36 of the Official Code of Georgia Annotated;

(ii) Bonds or obligations of the County or bonds or obligations of the State of Georgia or other states or of other counties, municipal corporations, and political subdivisions of the State of Georgia;

(iii) Bonds or other obligations of the United States or of subsidiary corporations of the United States government which are fully guaranteed by such government;

(iv) Obligations of and obligations guaranteed by agencies or instrumentalities of the United States government, including those issued by the Federal Land Bank, Federal Home Loan Bank, Federal Intermediate Credit Bank, Bank for Cooperatives, and any other such agency or instrumentality now or hereafter in existence; provided, however, that all such obligations shall have a current credit rating from a nationally recognized rating service of at least one of the three highest rating categories available and have a nationally recognized market;

(v) Bonds or other obligations issued by any public housing agency or municipal corporation in the United States, which such bonds or obligations are fully secured as to the payment of both principal and interest by a pledge of annual contributions under an annual contributions contract or contracts with the United States government, or project notes issued by any public housing agency, urban renewal agency, or municipal corporation in the United States which are fully secured as to payment of both principal and interest by a requisition, loan, or payment agreement with the United States government;

(vi) Certificates of deposit of national or state banks located within the State of Georgia which have deposits insured by the Federal Deposit Insurance Corporation and certificates of deposit of federal savings and loan associations and state building and loan or savings and loan associations located within the State of Georgia which have deposits insured by the Savings Association Insurance Fund of the Federal Deposit Insurance Corporation or the Georgia Credit Union Deposit Insurance Corporation, including the certificates of deposit of any bank, savings and loan association, or building and loan association acting as depository, custodian, or trustee for any such bond proceeds. The portion of such certificates of deposit in excess of the amount insured by the Federal Deposit Insurance Corporation, the Savings Association Insurance Fund of the Federal Deposit Insurance Corporation, or the Georgia Credit Union Deposit Insurance Corporation, if any, shall be secured by deposit, with the Federal Reserve Bank of Atlanta, Georgia, or with any national or state bank or federal savings and loan association or state building and loan or savings and loan association located within the State of Georgia or with a trust office within the State of Georgia, of one or more of the following securities in an aggregate principal amount equal at least to the amount of such excess: direct and general obligations of the State of Georgia or other states or of any county or municipal corporation in the State of Georgia, obligations of the United States or subsidiary corporations described in (iii) above, obligations of the agencies and instrumentalities of the United States government described in (iv) above, or bonds, obligations, or project notes of public housing agencies, urban renewal agencies, or municipalities described in (v) above;

(vii) Securities of or other interests in any no-load, open-end management type investment company or investment trust registered under the Investment Company Act of 1940, as from time to time amended, or any common trust fund maintained by any bank or trust company which holds such proceeds as trustee or by an affiliate thereof so long as:

(a) the portfolio of such investment company or investment trust or common trust fund is limited to the obligations referenced in paragraphs (iii) and (iv) above and repurchase agreements fully collateralized by any such obligations;

(b) such investment company or investment trust or common trust fund takes delivery of such collateral either directly or through an authorized custodian;

(c) such investment company or investment trust or common trust fund is managed so as to maintain its shares at a constant net asset value; and

(d) securities of or other interests in such investment company or investment trust or common trust fund are purchased and redeemed only through the use of national or state banks having corporate trust powers and located within the State of Georgia; and

(viii) interest-bearing time deposits, repurchase agreements, reverse repurchase agreements, rate guarantee agreements, or other similar banking arrangements with a bank or trust company having capital and surplus aggregating at least \$50 million or with any government bond dealer reporting to, trading with, and recognized as a primary dealer by the Federal Reserve Bank of New York having capital aggregating at least \$50 million or with any corporation which is subject to registration with the Board of Governors of the Federal Reserve System pursuant to the requirements of the Bank Holding Company Act of 1956, provided that each such interest-bearing time deposit, repurchase agreement, reverse repurchase agreement, rate guarantee agreement, or other similar banking arrangement shall permit the moneys so placed to be available for use at the time provided with respect to the investment or reinvestment of such moneys.

Such investments shall be held by the Custodian in its name for the account of the Bond Proceeds Sub-Account. All income on earnings thereon shall be credited to the Bond Proceeds Sub-Account or for debt service on the Bonds. Withdrawals from the Bond Proceeds Sub-Account may be made for the purpose of paying the cost of acquiring, constructing and equipping the Bond Financed Projects or for debt service on the Bonds.

Section 21. Tax Covenants and Representations. The Bonds are being issued by the County in compliance with the conditions necessary for the interest income on the Bonds to be excluded from gross income for federal income tax purposes pursuant to Section 103(a) of the Internal Revenue Code of 1986, as amended (the "Code"). The County intends that the interest on the Bonds be and remain excludable from gross income for federal income tax purposes, and, to that end, the County hereby represents to and covenants with the owners of the Bonds from time to time as follows:

(a) that it will not take any action, or fail to take any action, if any such action or failure to take action would adversely affect the exclusion of interest on the Bonds from gross income for federal income tax purposes;

(b) that it will not directly or indirectly use or permit the use of any proceeds of the Bonds or any other funds of the County, or any portion of the property financed by the proceeds of the Bonds, or take or omit to take

any action in a way that would cause the interest on the Bonds to be includable in gross income for federal income tax purposes; and

(c) that it will not directly or indirectly use or permit the use of any proceeds of the Bonds or any other funds of the County or take or omit to take any action that would cause the Bonds to be deemed to be “arbitrage bonds” within the meaning of Section 148 of the Code. To that end, the County covenants with the owners from time to time of the Bonds that it will comply with all requirements of Section 148 of the Code to the extent applicable to the Bonds or the proceeds thereof. Without limiting the foregoing, the County specifically covenants and agrees that it will pay such amounts, and file such forms and reports as may be required from time to time to comply with the arbitrage rebate provisions under Section 148(f) of the Code and applicable treasury regulations.

Section 22. Non-Arbitrage Certification. The Chairman or Clerk of the Board of Commissioners of the County is hereby authorized to execute and deliver on behalf of the County a non-arbitrage certificate in order to comply with Sections 103(b)(2) and 148 of the Code and the applicable Treasury Regulations thereunder and setting forth therein such expectations and covenants on the part of the County as may be necessary or appropriate to preserve the exclusion of the interest on the Bonds from gross income for federal income tax purposes. Such certification shall be in substantially the form approved by the Chairman or the Clerk of the Board of Commissioners, and the execution of such certification by the Chairman or the Clerk as hereby authorized shall constitute conclusive evidence of such approval.

Section 23. Designation of the Bonds as Qualified Tax-Exempt Obligations. The County hereby designates the Bonds as “qualified tax-exempt obligations” under Section 265(b)(3) of the Code.

Section 24. General Authorizations. From and after the adoption of this resolution, 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 and deliver all such documents, instruments, certificates and reports as may be necessary or desirable in connection with the issuance and sale of the Bonds and to carry out and comply with the provisions of this resolution, and are further authorized to take any and all further actions and execute any and all other documents, instruments, reports and certificates as may be necessary or desirable in connection with the issuance and sale of the Bonds and the execution and delivery of the Purchase Agreement, the Official Statement and the Custodial Agreement, and to document compliance with the provisions of all applicable laws.

Section 25. Confirmation of Actions. All acts and doings of the officers of the County which are in conformity with the purposes and intents of this resolution and in furtherance of the issuance of the Bonds and the execution, delivery and performance of the Purchase Agreement, the Official Statement and the Custodial Agreement and the issuance and sale of the Bonds shall be, and the same hereby are, in all respects approved and confirmed.

Section 26. Repeal of Conflicting Resolutions. All resolutions or proceedings or parts of resolutions or proceedings of the County in conflict with the provisions of this resolution shall be, and the same hereby are, repealed.

Section 24. Effective Date. This resolution shall be effective

immediately upon its adoption.

Adopted and approved by the Board of Commissioners of Spalding County, Georgia this 18th day of February, 2016.

SPALDING COUNTY, GEORGIA

By: _____

Chairman, Board of Commissioners,
Spalding County, Georgia(SEAL)

Attest:

Clerk, Spalding County, Georgia

EXHIBIT A
DEBT SERVICE SCHEDULE

Date	Principal	Interest	Debt Service	Annual Debt Service (Sinking Fund Year)
7/1/2016		\$100,766.67	\$100,766.67	\$100,766.67
1/1/2017		151,150.00	151,150.00	
7/1/2017		151,150.00	151,150.00	302,300.00
1/1/2018		151,150.00	151,150.00	
7/1/2018		151,150.00	151,150.00	302,300.00
1/1/2019		151,150.00	151,150.00	
7/1/2019		151,150.00	151,150.00	302,300.00
1/1/2020		151,150.00	151,150.00	
7/1/2020	\$2,870,000.00	151,150.00	3,021,150.00	3,172,300.00
1/1/2021		108,100.00	108,100.00	
7/1/2021	2,930,000.00	108,100.00	3,038,100.00	3,146,200.00
1/1/2022		49,500.00	49,500.00	
7/1/2022	3,000,000.00	49,500.00	3,049,500.00	3,099,000.00

EXHIBIT B
BOND PURCHASE AGREEMENT

EXHIBIT C
CUSTODIAL AGREEMENT

CLERK'S CERTIFICATE

The undersigned Clerk of Spalding County, Georgia, DOES HEREBY CERTIFY that the foregoing pages of typewritten matter constitute a true and correct copy of a resolution adopted on February 18, 2016 by the Board of Commissioners of Spalding County, Georgia, at a meeting which was duly

called and assembled and open to the public and at which a quorum was present and acting throughout and that the original of such resolution is in the minute book of the Board of Commissioners of Spalding County which is in my custody and control.

This 18th day of February, 2016.

(SEAL)

Clerk, Spalding County, Georgia

Motion/Second by Hawbaker/Miller to approve a Resolution as drafted to Implement a 1% Sales and Use Tax to provide for the sale of \$8,800,000 Spalding County, Georgia General Obligation Sales Tax Bonds, the approval of a form of such Bonds, the naming of a paying agent, the levy of a tax to pay the principal of and interest on such bonds, the authorization of the execution and delivery of a custodial agreement, bond purchase agreement and continuing disclosure certificate relating to such bonds and for other purposes. Motion carried unanimously by all.

William Wilson stated that we have a Work Session set for March 7th, at 9:30 a.m. He requested that the Board have a Special Called meeting to begin at 9:00 a.m. on March 7th to enter into Executive Session to discuss at the acquisition of real estate. He explained that this is for right-of-way needed for the Intersection #2 Project at the Flats.

Consensus of the Board is to set up a Special Called meeting at 9:00 a.m. to enter into Executive Session to discuss the acquisition of real estate.

E. Adjournment

Motion/Second by Miller/Ray to adjourn the meeting at 9:16 a.m. Motion carried unanimously by all.

/s/ _____
Bart Miller, Vice Chairman

/s/ _____
William P. Wilson, Jr., Clerk