

RESOLUTION

A RESOLUTION OF THE NEWTON COUNTY BOARD OF COMMISSIONERS APPROVING AND AUTHORIZING EXECUTION OF AN INTERGOVERNMENTAL AGREEMENT BETWEEN THE COUNTY AND MUNICIPALITIES OF NEWTON COUNTY CONCERNING A ONE PERCENT (1%) SPECIAL PURPOSE LOCAL OPTION SALES TAX ENACTED PURSUANT TO O.C.G.A. § 48-8-110 *ET SEQ.*; REPEALING PRIOR RESOLUTIONS IN CONFLICT; AND FOR OTHER PURPOSES.

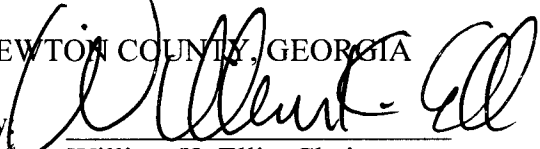
WHEREAS, O.C.G.A. §48-8-110 *et seq.* authorizes the imposition of a one percent county special purpose local option sales tax (SPLOST) for the purposes *inter alia* of financing capital outlay projects to be owned or operated by the County and one or more municipalities; and

WHEREAS, Newton County, Georgia, the City of Covington, Georgia, the City of Mansfield, Georgia, the City of Newborn, Georgia, the City of Oxford, Georgia, and the City of Porterdale, Georgia (the "Municipalities") desire to utilize the proceeds of a SPLOST for the one or more of the purposes authorized under O.C.G.A. § 48-8-111 (a)(1).

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

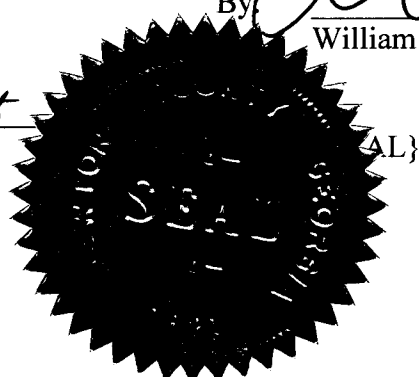
1. The attached intergovernmental agreement addressing the disbursement of SPLOST proceeds among Newton County and the Municipalities and other related matters is hereby approved.
2. The Chairman of the Newton County Board of Commissioners is authorized to execute the intergovernmental agreement on behalf of the Board of Commissioners of Newton County, Georgia and to affix the seal of the County thereto.
3. All resolutions, or parts of resolutions, in conflict herewith are repealed.

This the 6th day of December, 2016.

NEWTON COUNTY, GEORGIA
By: 
William K. Ellis, Chairman

ATTEST:

Jackie Smith, County Clerk



**STATE OF GEORGIA
COUNTY OF NEWTON**

**SPECIAL PURPOSE LOCAL OPTION SALES TAX
INTERGOVERNMENTAL AGREEMENT**

This Intergovernmental AGREEMENT (the "AGREEMENT") is made this 6th day of December, 2016 by and between Newton County, Georgia (hereinafter the "County"), a political subdivision of the State of Georgia, and the City of Covington, Georgia, a municipal corporation, the City of Mansfield, Georgia, a municipal corporation, the Town of Newborn, Georgia, a municipal corporation, the City of Oxford, Georgia, a municipal corporation, and the City of Porterdale, Georgia, a municipal corporation (hereinafter the "Municipalities"), acting pursuant to validly adopted resolutions by their respective governing bodies. The County and the Municipalities do hereby agree as follows:

W I T N E S S E T H:

WHEREAS, Article 3 of Chapter 8 of Title 48 of the Official Code of Georgia Annotated, as amended (the "Act"), authorizes the imposition of a one percent County Special Purpose Local Options Sales Tax (the "SPLOST") for purposes of financing capital outlay projects for the use and benefit of the County and qualified municipalities within the County; and

WHEREAS, the County and the Municipalities met together on October 18, 2016 to discuss possible projects for inclusion in the SPLOST referendum in substantial conformity with the requirements of Section 48-8-111(a) of the Act; and

WHEREAS, Section 48-8-111(a)(1) of the Act authorizes capital outlay projects that may be funded by the County or one or more "qualified municipalities" within the "special district" (as such terms are defined in the Act); and

WHEREAS, the County and the Municipalities have negotiated a division of the SPLOST proceeds as authorized by the Act; and

WHEREAS, the County may seek to finance a portion of the cost of its qualified projects through the issuance of not to exceed \$15,000,000 in general obligation debt of the County;

NOW THEREFORE, in consideration of the premises and undertakings hereinafter set forth, it is agreed by and between the County and the Municipalities as follows:

Section 1. Representation of the Parties. Each party hereto makes the following representations and warranties which are specifically relied upon by all other parties as a basis for entering this AGREEMENT:

(a) The County agrees that it will take all actions necessary to call an election, to be held in all the voting precincts in the County on the 21st day of March, 2017, for the purpose of submitting to the qualified voters of the County for their approval, the question of whether or not a SPLOST of one percent shall be imposed on all sales and uses subject to the sales and use tax in the special district of Newton County, as authorized by the Act for 24 calendar quarters (six years) commencing on July 1, 2017 for the purpose of funding specified projects (hereinafter more fully referred to and hereby defined collectively as the "Projects"). The amount of money to be raised by the SPLOST is estimated to be \$64,800,000.00.

(b) The Municipalities are legally chartered municipal corporations as defined by law and judicial interpretation and are each a "qualifying municipality" as such term is defined in the Act. During a public meeting of its governing board, each conducted in compliance with the Open Meetings Act, O.C.G.A. § 50-14-1, et seq., each of the Municipalities validly adopted a resolution to authorize such Municipality to enter into this AGREEMENT.

(c) The County is a political subdivision of the State of Georgia created and existing under the Constitution and laws of the State. During a public meeting conducted in compliance with the Open Meetings Act, O.C.G.A. § 50-14-1, et seq., the County validly adopted a resolution to authorize it to enter into this AGREEMENT.

(d) It is the intention of the County and the Municipalities to comply in all respects with O.C.G.A. § 48-8-110 et seq., and all provisions of this AGREEMENT shall be construed in light of O.C.G.A. § 48-8-110, et seq.

(e) The County and the Municipalities agree that each approved SPLOST Project associated with this AGREEMENT shall be maintained as a public facility and under public ownership. If ownership of a Project financed pursuant to this AGREEMENT is transferred to private ownership, the proceeds of the sale shall, for the purposes of this AGREEMENT, be deemed excess funds and disposed of as provided under O.C.G.A. § 48-8-121(g)(2).

(f) The County and Municipalities agree to maintain thorough and accurate records concerning receipt of SPLOST proceeds and expenditures for each Project undertaken by the County or respective Municipality as required to fulfill the terms of this AGREEMENT.

Section 2. Conditions Precedent. The obligations of all parties under this AGREEMENT are conditioned upon the following prior events:

(a) The adoption of a resolution by the Board of Commissioners of Newton County authorizing the imposition of the SPLOST and calling the election hereinbefore referred to in accordance with the provisions of Section 48-8-111(a) of the Act.

(b) The approval of the SPLOST by a majority of the voters in the County voting in the election (for those purposes) to be held in accordance with the provisions of Section 48-8-111(b) through (e) of the Act.

(c) This AGREEMENT is further conditioned upon the collection of SPLOST revenues by the State of Georgia Department of Revenue and its transfer of the same to the County.

Section 3. Effective Date and Term of the Tax. The SPLOST, subject to approval in an election to be held on March 21, 2017, shall continue to be collected for a period of six (6) years with collections beginning on July 1, 2017.

Section 4. Effective Date and Term of This AGREEMENT. This AGREEMENT shall commence upon the date of its execution and shall terminate upon the latter of:

(a) The official declaration by the Board of Elections and Registration of Newton County of the failure of the election described in this AGREEMENT; or

(b) The expenditure by the County and the Municipalities of the last dollar of money collected from the SPLOST even if such expenditure is made after the expiration of the SPLOST.

Section 5. Projects, Priority and Order of Funding. All capital outlay projects, to be funded in whole or in part from SPLOST proceeds, are listed in Exhibit A which is attached hereto and made part of this AGREEMENT. Projects shall be fully or partially funded and constructed in accordance with the schedule found in Exhibit A of this AGREEMENT. Except as provided in Paragraph (b) and Paragraph (c) of Section 9 this AGREEMENT, any change to the priority or schedule must be agreed to in writing by all parties to this AGREEMENT.

Section 6. SPLOST Funds; Separate Accounts; No Commingling.

(a) A special fund or account shall be created by the County and designated as the 2017 Newton County Special Purpose Local Option Sales Tax Fund ("SPLOST Fund"). The County shall select a local bank which shall act as a depository and custodian of the SPLOST Fund upon such terms and conditions as may be acceptable to the County.

(b) Each Municipality shall create a special fund to be designated as the 2017 [*Municipality name*] Special Purpose Local Option Sales Tax Fund. Each Municipality shall select a local bank which shall act as a depository and custodian of the SPLOST proceeds received by each Municipality upon such terms and conditions as may be acceptable to the Municipality.

(c) All SPLOST proceeds shall be maintained by the County and each Municipality in the separate accounts or funds established pursuant to this Section. Except as provided in Section 7, SPLOST proceeds shall not be commingled with other funds of the County or Municipalities and shall be used exclusively for the purposes detailed in this AGREEMENT. No funds other than SPLOST proceeds shall be placed in such accounts.

Section 7. Procedure for Disbursement of SPLOST Proceeds.

(a) Upon receipt by the County of SPLOST proceeds collected by the Georgia Department of Revenue, the County shall promptly deposit said proceeds in the SPLOST Fund. The monies in the SPLOST Fund shall be held and applied to the cost of acquiring, constructing, and installing the County capital outlay projects listed in Exhibit A and as provided in Paragraph (b) of this Section.

(b) All funds received by the County from the Georgia Department of Revenue from the imposition of the SPLOST shall be apportioned by the County according to the figures provided herein. The parties hereto understand and agree that the figures set forth herein are binding and not subject to change or modification except upon written agreement by all parties. The County, following the deposit of the SPLOST proceeds in the SPLOST Fund, shall, within 10 business days, disburse the SPLOST proceeds due to each Municipality according to the schedule in Exhibit A. The proceeds shall be promptly deposited in the separate funds established by each Municipality in accordance with Section 6 of this AGREEMENT. The monies in each Municipality's SPLOST Fund shall be held and applied to the cost of acquiring, constructing, and installing the Municipal capital outlay projects listed for that Municipality in Exhibit A.

(c) The parties understand that the distribution amounts listed in Exhibit A are based on the assumption that the SPLOST raises the estimated amount, i.e. \$64,800,000.00. Monthly distributions to the County and the Municipalities shall be based on actual collections according to the following percentages:

1. Newton County: 78.0000%
2. City of Covington: 14.5460%
3. City of Oxford: 2.3163%
4. City of Porterdale: 3.7603%
5. Town of Newborn: 0.7824%
6. City of Mansfield: 0.5950%

Section 8. Project Monitoring, Record-Keeping and Reporting, Audits.

(a) All parties to this AGREEMENT shall promptly move forward with the acquisition, construction, equipage and installation of the Projects in an efficient and economical manner and at a reasonable cost in conformity with all applicable laws, ordinances, rules and regulations of any governmental authority having jurisdiction over the Projects.

(b) The governing authority of the County and the governing authority of each of the Municipalities shall comply with the requirements of O.C.G.A. § 48-8-121(a)(2), which requires that certain information be included in the annual audit of the County or each of the Municipalities. During the term of this AGREEMENT, the distribution and use of all SPLOST proceeds deposited in the SPLOST Fund and each Municipal SPLOST Fund shall be audited annually by an independent certified public accounting firm. The County and Municipalities agree to cooperate with the independent certified public accounting firm in any audit by providing all necessary information. Each Municipality shall provide the County a copy of their annual audit.

(c) The governing authority of the County and the governing authority of each of the Municipalities shall comply with the requirements of O.C.G.A. § 48-8-122, which requires the publication of annual reports concerning expenditures for the Projects.

Section 9. Completion of Projects.

(a) The County and the Municipalities acknowledge that the costs shown for each Project described in Exhibit A are estimated amounts.

(b) If a County Project has been satisfactorily completed at a cost less than the estimated cost listed for that Project in Exhibit A, the County may apply the remaining unexpended funds to any other County Project in Exhibit A.

(c) If a Municipal Project has been satisfactorily completed at a cost less than the estimated cost listed for that Project in Exhibit A, the Municipality may apply the remaining unexpended funds to any other Project included for that Municipality in Exhibit A.

(d) The County and the Municipalities agree that each approved SPLOST Project associated with this AGREEMENT shall be completed or substantially completed within five years after the termination of the SPLOST. Any SPLOST proceeds held by a County or Municipality at the end of the five year period shall, for the purposes of this AGREEMENT, be deemed excess funds and disposed of according to O.C.G.A. § 48-8-121(g)(2).

(e) Any SPLOST proceeds which have been allocated to the Municipalities and which are not used by any of the Municipalities during the term hereof shall be returned by any of the Municipalities to the County and applied by the County for any other purpose permitted under state law.

Section 10. Certificate of Completion and Termination. Within thirty (30) days after the acquisition, construction or installation of a Municipal Project listed on Exhibit A is completed, the Municipality owning the Project shall file with the County a Certificate of Completion signed by the mayor or other chief elected official of the respective Municipality, setting forth the date on which the Project was completed and the final cost of the Project.

Section 11. The County Debt.

(a) The SPLOST election ballot shall contain the language required by the Sales and Use Tax Act for the authorization of up to \$15,000,000 of debt on behalf of the County. The County shall issue its own debt. The County may use the proceeds of its debt for the purpose of funding a portion of its Projects as specified in Exhibit A, paying capitalized interest (if any), and paying the cost of issuing its debt. The County acknowledges that it is solely responsible for the payment of its debt, including any and all costs, interest, and fees associated therewith.

(b) The County's debt shall be paid first from the proceeds of its portion of the Sales and Use Tax. In the event that there are insufficient Sales and Use Tax collections to pay the debt from its portion of the proceeds, the County shall pay any shortfall attributable to the debt from its general fund (the "Debt Service Payments"). The County covenants that, in order to make the Debt Service Payments when due from its general funds to the extent required, it will exercise its power of taxation to the extent necessary to timely pay any amounts required to be paid hereunder and it will make available and use for such payments all taxes levied and collected for that purpose together with funds from any other source. The County further covenants and agrees that in order to make funds available for such purpose, it will, in its general revenue, appropriation, and budgetary measures whereby its tax funds or revenues and the allocation thereof are controlled or provided for, include sums sufficient to timely satisfy such Debt Service Payments that may be required to be made from the general funds, whether or not any other sums are included in such measure, until all payments so required to be made shall have been made in full. The obligation of the County to make any payments that may be required to be made from its general funds shall constitute a general obligation of the County and a pledge of full faith and credit of the County to provide the funds required to timely fulfill any such obligation.

(c) In the event for any reason such provision or appropriation is not made as provided in the preceding paragraph, then the fiscal officer of the County is hereby authorized and directed to set up as an appropriation on its accounts in the appropriate fiscal year the amounts required to timely pay the obligations which may be due from the general funds. The amount of such appropriation shall be due and payable and shall be expended for the purpose of paying any such obligations, and such appropriation shall have the same legal status as if the County had included the amount of the appropriation in its general revenue, appropriation, and budgetary measures, and the fiscal office of the County shall immediately make such Debt Service Payments to the paying agent for the debt if for any reason the payment of such obligations shall not otherwise have been timely made.

(d) The obligation of the County to make the Debt Service Payments and to perform and observe the other agreements on its part contained in this Section 11 shall be absolute and unconditional. Until such time as the principal of and interest on the debt shall have been paid in full or provision for the payment thereof shall have been made, the County (a) will not suspend or discontinue any payments provided for herein, (b) will perform

and observe all of its other agreements contained in this AGREEMENT, and (c) will not terminate this AGREEMENT for any cause, including, without limiting the generality of the foregoing, failure to complete any Project undertaken by the County, a defect in any Project, or any failure of any other party to this AGREEMENT to observe, whether express or implied, any duty, liability or obligation arising out of or connected with this AGREEMENT.

(e) The County will be responsible for all facets of the debt issuance and repayment process. The County will select the underwriter, bond counsel, local counsel, etc. The County will endeavor in good faith to be fiscally responsible in minimizing to the extent possible the costs and fees with the debt issuance process. The Municipalities are not issuing any bonds or other indebtedness associated with this AGREEMENT.

Section 12. Expenses. The County shall administer the SPLOST Fund to effectuate the terms of this AGREEMENT. Furthermore, the County and the Municipalities shall be jointly responsible on a pro rata basis for the cost of holding the SPLOST election. The County shall be reimbursed for the Municipalities' share of such costs.

Section 13. Default. Each party hereto expressly acknowledges and agrees that the obligation of each party hereto to keep, observe and perform its covenants as herein set forth is specifically conditioned upon each party's keeping, observing and performing its covenants as also herein set forth and failure of either party to do so shall constitute an event of default hereunder.

Section 14. Liability for Noncompliance. The County and the Municipalities shall comply with all applicable local, State, and Federal statutes, ordinances, rules and regulations. In the event that any Municipality fails to comply with the requirements of the Act (O.C.G.A. § 48-8-110 et seq.), the County shall not be held liable for such noncompliance. No consent or waiver, express or implied, by any party to this AGREEMENT, to any breach of any covenant, condition or duty of another party shall be construed as a consent to, or waiver of, any future breach of the same.

Section 15. Arbitration. The parties hereto agree to submit any controversy arising under this AGREEMENT 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 said Arbitration Code as to any controversy so submitted to arbitration.

Section 16. Counterparts. This AGREEMENT 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 17. Governing Law. This AGREEMENT and all transactions contemplated hereby shall be governed by, and construed and enforced in accordance with the laws of the State of Georgia.

Section 18. Severability. Should any provision of this AGREEMENT or application thereof to any person or circumstance be held invalid or unenforceable, the remainder of this AGREEMENT or the application of such provision to any person or circumstance, other than those to which it is held invalid or unenforceable, shall not be affected thereby, and each provision of this AGREEMENT shall be valid and enforceable to the full extent permitted by law.

Section 19. Entire Agreement. This AGREEMENT embodies and sets forth all the provisions and understandings between the parties relative to the Projects. There are no provisions, agreements, understandings, representations, or inducements, either oral or written, between the parties other than those hereinabove set forth. Any and all prior provisions, agreements, contracts or understandings, either oral or written, between the parties relative to the Projects are hereby rescinded and superseded by this AGREEMENT.

Section 20. Amendments. This AGREEMENT shall not be amended or modified except by agreement in writing executed by the governing authorities of the County and the Municipalities.

Section 21. Notices. All notices, demands or requests required or permitted to be given pursuant to this AGREEMENT 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) Newton County Board of Commissioners
1124 Clark Street
Covington, GA 30014
Attention: County Manager
- (b) City of Covington
P. O. Box 1527
Covington, GA 30015
Attention: City Manager
- (c) City of Mansfield
P. O. Box 35
3146 S. Highway 11
Mansfield, GA 30055
Attention: City Mayor
- (d) Town of Newborn
P. O. Box 247
Newborn, GA 30056

Attention: Town Clerk

- (e) City of Oxford
110 West Clark Street
Oxford, GA 30054
Attention: Mayor

- (f) City of Porterdale
P. O. Box 667
Porterdale, GA 30070
Attention: City Manager

[Signatures on Next Page]

IN WITNESS WHEREOF, all parties hereto have agreed as of this 6th day of December 2016.



(CC)
Attest:

Jackie Smith
Jackie Smith, Clerk

NEWTON COUNTY, GEORGIA

By: William K. Ellis
William K. Ellis, Chairman

CITY OF COVINGTON

By: _____

(SEAL)
Attest:

Clerk

[Signatures Continued on Next Page]

IN WITNESS WHEREOF, all parties hereto have agreed as of this ____ day of _____
20__.

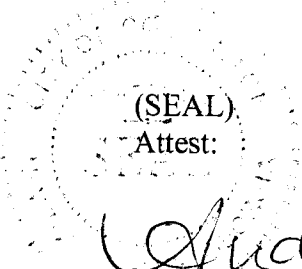
NEWTON COUNTY, GEORGIA

By: _____
William K. Ellis, Chairman

(COUNTY SEAL)
Attest:

Jackie Smith, Clerk

CITY OF COVINGTON
By: _____
Ronnie Johnston, Mayor



Audra M. Gutierrez, Clerk

[Signatures Continued on Next Page]

CITY OF MANSFIELD

By: _____

(SEAL)
Attest:

Clerk

TOWN OF NEWBORN

By: _____

(SEAL)
Attest:

Clerk

CITY OF OXFORD

By: _____

(SEAL)
Attest:

Clerk

CITY OF PORTERDALE

By: _____

(SEAL)
Attest:

Clerk

EXHIBIT A

Section A: All Projects shall be funded in accordance with Section B. After all Projects are fully funded, any excess SPLOST proceeds shall be allocated according to the terms of Section C.

Section B: SPLOST proceeds, to the extent available, shall be allocated to the following Projects based on the County's and each Municipality's specified prioritization. If projects are not prioritized, all projects shall be considered of equal priority and shall be funded pro rata based on their relative costs.

(1) To the County for:	Estimated Cost
Transportation	\$18,330,793
Debt Service/Retirement	\$10,403,963
E911 Communications Co-occupied	\$3,666,159
Westside Youth Outreach Facility	\$495,427
Senior Expansion	\$1,783,537
Recreation Department Existing Facilities	\$990,854
District 2 Improvements	\$495,426
Springhill Park Facility	\$495,426
Porterdale Park Upgrades	\$148,628
District 4 Existing Park Upgrades	\$495,427
Chimney Park	\$99,085
Yellow River Trail	\$1,337,652
Library	\$495,427
Animal Control Facility and Equipment	\$1,199,488
Washington Street land acquisition and/or facilities upgrades or equipment	\$495,427

Sheriff Office Upgrade existing facilities	\$2,972,561
Solid Waste	\$1,387,195
Fleet Replacement and Equipment	\$3,467,988
Fire Services	\$792,683
Economic Development (IDA)	\$990,854
Total – Newton County:	\$50,544,000
(2) To the City of Covington account for:	Estimated Cost
Transportation Projects	\$4,029,944
Sanitary Sewer Inspection and Construction	\$1,575,000
Public Safety	\$3,820,817
Total – City of Covington:	\$9,425,761
(3) To the City of Oxford account for:	Estimated Cost
Water and Sewer System	\$500,000
Transportation	\$500,000
Parks and Recreation	\$400,000
Public Safety	\$100,965
Total – City of Oxford:	\$1,500,965
(4) To the City of Porterdale account for:	Estimated Cost
Public Works, Roads, Transportation, Parks Maintenance	\$393,600
Yellow River Park	\$370,314
Municipal Building	\$1,574,000
Gymnasium Improvements	\$98,800

Total – City of Porterdale: \$2,436,714

(5) To the Town of Newborn account for: Estimated Cost

Roads \$228,150

Public Safety \$50,700

Facility \$126,750

Parks/Rec \$101,400

Total – Town of Newborn: \$507,000

(6) To the City of Mansfield account for:

Transportation and/or Infrastructure \$192,780

Facilities and/or Historical Facilities \$77,112

Public Safety \$115,668

Total – City of Mansfield: \$385,560

Section C: After the projects in Section B are fully funded, any excess SPLOST proceeds collected shall be allocated to the County and the Municipalities pro-rata in accordance with the ratios established for the distribution of Local Option Sales Tax (LOST) proceeds for use as follows:

(1) To the County (75%): First Priority, reduction of General Obligation Debt; Second Priority, Transportation.

(2) To the Municipalities: each government will use such excess proceeds for one or more purposes permitted by the Act.

Covington:	18.47%
Mansfield	0.63%
Newborn	0.83%
Oxford	3.02%
Porterdale	2.05%

CITY OF MANSFIELD

By: _____

(SEAL)
Attest:

Clerk

TOWN OF NEWBORN

By: W. J. E.



(SEAL)
Attest:

Alisa C. Rowe
Clerk

CITY OF OXFORD

By: _____

(SEAL)
Attest:

Clerk

CITY OF PORTERDALE

By: _____

(SEAL)
Attest:

Clerk

CITY OF MANSFIELD

By: _____

(SEAL)
Attest:

Clerk

TOWN OF NEWBORN

By: _____

(SEAL)
Attest:

Clerk

CITY OF OXFORD

By: _____

(SEAL)
Attest:

Clerk

CITY OF PORTERDALE

By: *Adrienne Chapman*

(SEAL)
Attest:

[Handwritten Signature]

Clerk

CITY OF MANSFIELD

By: _____

(SEAL)
Attest:

Clerk

TOWN OF NEWBORN

By: _____

(SEAL)
Attest:

Clerk

CITY OF OXFORD

By: *Judy Roseberry*

(SEAL)
Attest:

Lauran S. Willis
Clerk

CITY OF PORTERDALE

By: _____

(SEAL)
Attest:

Clerk