

FOURTH SUPPLEMENT TO INTERGOVERNMENTAL CONTRACT –  
RESERVOIR PROJECT

This FOURTH SUPPLEMENT TO INTERGOVERNMENTAL CONTRACT - RESERVOIR PROJECT (this “Fourth Supplement to Contract”) is entered into as of the 1<sup>st</sup> day of August, 2023, between OCONEE COUNTY, GEORGIA, a political subdivision of the State of Georgia (the “County”), and WALTON COUNTY WATER AND SEWERAGE AUTHORITY, a body corporate and politic and an instrumentality of the State of Georgia (the “Authority”).

WHEREAS, pursuant to a resolution of the Authority adopted on September 25, 2007, as supplemented on March 25, 2008, the Authority authorized the issuance of the Walton County Water and Sewerage Authority Revenue Bonds (Oconee-Hard Labor Creek Reservoir Project), Series 2008, in the aggregate principal amount of \$19,535,000 (the “Series 2008 Bonds”), for the purpose of (i) financing or refinancing a portion of the cost of the acquisition, construction, and equipping of a new reservoir and related treatment, pumping and other facilities and other related facilities, including piping; (ii) paying capitalized interest on the Series 2008 Bonds; and (iii) paying all or a portion of the costs of issuance of the Series 2008 Bonds, including a bond insurance premium; and

WHEREAS, the Series 2008 Bonds were authorized and issued under a Trust Indenture, dated as of April 1, 2008 (the “Original Indenture”), as supplemented by a First Supplemental Trust Indenture, dated as of April 1, 2008 (the “First Supplemental Indenture”), both between the Authority and Regions Bank, as trustee (the “Trustee”); and

WHEREAS, pursuant to a resolution of the Authority, adopted on June 30, 2015, the Authority issued its Walton County Water and Sewerage Authority Refunding Revenue Bonds (Oconee-Hard Labor Creek Reservoir Project), Series 2015, in the aggregate principal amount of \$8,425,000 (the “Series 2015 Bonds”) for the purpose of (i) refunding a portion of the Series 2008 Bonds, maturing in the years 2028 and 2038; and (ii) paying all or a portion of the costs of issuance of the Series 2015 Bonds; and

WHEREAS, the Series 2015 Bonds were authorized and issued under the Original Indenture, as supplemented by the First Supplemental Indenture, and as supplemented by a Second Supplemental Trust Indenture, dated as of July 1, 2015 (the “Second Supplemental Indenture”), both between the Authority and the Trustee; and

WHEREAS, pursuant to a resolution of the Authority, adopted on September 13, 2016, the Authority issued its Walton County Water and Sewerage Authority Revenue Bonds (Oconee-Hard Labor Creek Reservoir Project), Series 2016, in the aggregate principal amount of \$9,465,000 (the “Series 2016 Bonds”) for the purpose of providing funds to (i) refund the remaining outstanding Series 2008 Bonds; (ii) finance or refinance a portion of the cost of acquiring, constructing, installing and equipping storage and transmission facilities related to the Hard Labor Creek reservoir (the “2016 Reservoir Project”) and (iii) pay all or a portion of the costs of issuance of the Series 2016 Bonds; and

WHEREAS, the Series 2016 Bonds were authorized and issued under the Original Indenture, as supplemented by the First Supplemental Indenture, as supplemented by the Second Supplemental Indenture and as supplemented by a Third Supplemental Trust Indenture, dated as of October 1, 2016 (the “Third Supplemental Indenture”), both between the Authority and the Trustee; and

WHEREAS, the County and the Authority have previously entered into an Intergovernmental Contract - Hard Labor Creek Reservoir Project, dated as of October 1, 2007 (the “Original Intergovernmental Contract”), as supplemented by a First Supplement to Intergovernmental Contract-Reservoir Project, dated April 1, 2008 (the “First Supplement to Contract”), as supplemented by a Second Supplement to Intergovernmental Contract-Reservoir Project, dated July 1, 2015 (the “Second Supplement to Contract”) and as supplemented by a Third Supplement to Intergovernmental Contract-Reservoir Project, dated October 1, 2016 (the “Third Supplement to Contract”), pursuant to which the Authority has agreed to provide, or cause to be provided, certain services and facilities to the County, in exchange for which the County has agreed, subject to the terms of the Original Intergovernmental Contract, as supplemented, to pay amounts to the Authority or its assignee, which will be sufficient to pay amounts due on, among other obligations, the outstanding Series 2015 Bonds and the Series 2016 Bonds, and which amounts will be pledged to secure the payment of the Series 2015 Bonds and the Series 2016 Bonds; and

WHEREAS, pursuant to a resolution of the Authority adopted on June 27, 2023, the Authority issued its Revenue Bonds (Oconee-Hard Labor Creek Reservoir Project), Series 2023, in the aggregate principal amount of \$12,495,000 (the “Series 2023 Bonds”), for the purpose of providing funds to (i) finance or refinance a portion of the cost of acquiring, constructing, installing and equipping a reservoir and raw water intake structure, a water treatment facility, transmission lines and other additions, extensions and expansions related to the Hard Labor Creek reservoir (the “2023 Reservoir Project”), and (iii) pay the costs of issuing the Series 2023 Bonds; and

WHEREAS, the Series 2023 Bonds were authorized and issued under the Original Indenture, as supplemented by the First Supplemental Indenture, the Second Supplemental Indenture, the Third Supplemental Indenture, and a Fourth Supplemental Trust Indenture, dated as of August 1, 2023, between the Authority and the Trustee (the “Fourth Supplemental Indenture” and, together with the Original Indenture, the First Supplemental Indenture, the Second Supplemental Indenture and the Third Supplemental Indenture, the “Indenture”); and

WHEREAS, the County and the Authority propose to enter into this Fourth Supplement to Contract to identify the Series 2023 Bonds as obligations secured by the Original Intergovernmental Contract, as supplemented, with all the rights, benefits and securities granted thereunder and to provide for other related matters (the Original Intergovernmental Contract, as supplemented by the First Supplement to Contract, the Second Supplement to Contract, the Third Supplemental Contract and this Fourth Supplement to Contract, the “Intergovernmental Contract”);

NOW THEREFORE, in consideration of the premises and the undertakings set forth in this Fourth Supplement to Contract, the parties hereto agree as follows:

1.

Defined terms used herein that are not otherwise defined herein shall have the meaning given to them in the Original Intergovernmental Contract, as supplemented.

2.

This Fourth Supplement to Contract shall become effective upon the date of issuance of the Series 2023 Bonds and shall continue in effect until the date when the principal of and the interest on all of the Series 2023 Bonds identified hereunder shall have been fully paid or shall be deemed to have been fully paid (within the meaning of the Indenture); but in no event shall the term of the Original Intergovernmental Contract, as supplemented by the First Supplement to Contract, the Second Supplement to Contract, the Third Supplement to Contract and this Fourth Supplement to Contract, extend for more than 50 years past the effective date of the Original Intergovernmental Contract.

3.

The Series 2023 Bonds are hereby identified as Bonds secured by the Original Intergovernmental Contract and shall have and be entitled to all the rights, benefits, and securities granted thereunder. The Series 2023 Bonds shall mature, shall bear interest and shall be subject to mandatory sinking fund redemption and optional redemption as set forth on Exhibit A.

4.

On the 15<sup>th</sup> day of each month in each year during the term of this Intergovernmental Contract, or if any such date falls on a day that is not a Business Day, then on the next succeeding Business Day, the County shall deposit in the Sinking Fund, created under the Indenture, 1/6<sup>th</sup> of the interest due for such year and 1/12<sup>th</sup> of the principal due for such year until the amount on deposit in the Sinking Fund is equal to the amount due on the next February 1 or August 1, as applicable.

5.

During the term of this Intergovernmental Contract, on or before the fifth Business Day prior to an optional payment date, the County shall pay directly to the Trustee an amount of money equal to the amount of principal and interest which will become due and payable with respect to the Series 2023 Bonds on the applicable optional payment date.

6.

Amounts required to be paid by the County under this Fourth Supplement to Contract may be paid from any funds lawfully available to the County for such purpose. The County has agreed to levy a tax pursuant to the Original Intergovernmental Contract to the extent required to provide funds to make such payments.

7.

The County may direct the Authority to effect an optional redemption under the Indenture. If the County does so direct, the County, in accordance with Section 5 hereof, must prepay sufficient amounts to the Authority to enable the Authority to effect such redemption.

8.

The 2023 Reservoir Project constitutes a part of the Reservoir Project (as defined in the Original Intergovernmental Contract) for the purposes of this Intergovernmental Contract.

9.

Should any phrase, clause, sentence or paragraph herein contained be held invalid or unconstitutional, it shall in no way affect the remaining provisions of this Third Supplement to Contract, which said provisions shall remain in full force and effect.

10.

This Fourth Supplement to Contract may be executed in several counterparts, each of which shall be an original but all of which shall constitute but one and the same instrument.

11.

This Fourth Supplement to Contract shall be construed and enforced in accordance with the laws of the State of Georgia.

12.

The Original Intergovernmental Contract, as supplemented by the First Supplement to Contract, the Second Supplement to Contract and the Third Supplement to Contract, is in all respects hereby ratified and confirmed.

IN WITNESS WHEREOF, the parties hereto, acting by and through their duly authorized officers, have caused this Fourth Supplement to Contract to be executed in duplicate as of the day and year first above written.

OCONEE COUNTY, GEORGIA

By:   
Chairman, Board of Commissioners

Attest:

  
Clerk, Board of Commissioners



WALTON COUNTY WATER AND  
SEWERAGE AUTHORITY

By:   
Chairman

(SEAL)

Attest:

  
Secretary

EXHIBIT A

TERMS OF SERIES 2023 BONDS

[SEE ATTACHED]

Optional Redemption

The Series 2023 Bonds maturing on or after February 1, 2034 are redeemable at the option of the Authority, as directed by the County, in whole or in part, at any time and in any order of maturity, not earlier than February 1, 2033, from any moneys available therefor, at a redemption price of 100% of principal amount of such bonds, plus accrued interest to the redemption date.

Mandatory Redemption

The Series 2023 Bonds maturing on February 1, 2043, are subject to mandatory sinking fund redemption on February 1, 2039 and on each February 1 thereafter, in accordance with the table below, at a redemption price equal to the principal amount of each Series 2023 Bond (or portion thereof) to be redeemed plus accrued interest to the date fixed for redemption, in the following principal amounts and on the dates set forth below (the February 1, 2043 amount to be paid rather than redeemed):

<u>February 1 of the Year</u>	<u>Principal Amount to be redeemed</u>
2039	\$935,000
2040	975,000
2041	1,010,000
2042	1,055,000
2043	1,095,000

The Series 2023 Bonds maturing on February 1, 2047, are subject to mandatory sinking fund redemption on February 1, 2044 and on each February 1 thereafter, in accordance with the table below, at a redemption price equal to the principal amount of each Series 2023 Bond (or portion thereof) to be redeemed plus accrued interest to the date fixed for redemption, in the following principal amounts and on the dates set forth below (the February 1, 2047 amount to be paid rather than redeemed):

<u>February 1 of the Year</u>	<u>Principal Amount to be redeemed</u>
2044	\$1,140,000
2045	1,185,000
2046	2,500,000
2047	2,600,000

**Bond Pricing**  
**Walton County Water and Sewerage Authority**  
**Revenue Bonds (Oconee-Hard Labor Creek Reservoir Project), Series 2023**

<i>Bond Component</i>	<i>Maturity Date</i>	<i>Amount</i>	<i>Rate</i>	<i>Yield</i>	<i>Price</i>
2043 Term Bond:	2/1/2043	5,070,000	4.000%	4.050%	99.329
2047 Term Bond:	2/1/2047	7,425,000	4.000%	4.140%	97.909
		12,495,000			

Dated Date	8/10/2023		
Delivery Date	8/10/2023		
First Coupon	2/1/2024		
Par Amount	12,495,000.00		
Original Issue Discount	-189,276.45		
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Production	12,305,723.55	98.485182%	
Underwriter's Discount	-93,712.50	-0.750000%	
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Purchase Price	12,212,011.05	97.735182%	
Accrued Interest			
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Net Proceeds	12,212,011.05		



**Bond Debt Service**  
**Walton County Water and Sewerage Authority**  
**Issue Bonds (Oconee-Hard Labor Creek Reservoir Project), Series:**

<i>Period</i> <i>Ending</i>	<i>Principal</i>	<i>Coupon</i>	<i>Interest</i>	<i>Debt</i> <i>Service</i>	<i>Annual</i> <i>Debt</i> <i>Service</i>
2/1/2024			237,405	237,405	237,405
8/1/2024			249,900	249,900	
2/1/2025			249,900	249,900	499,800
8/1/2025			249,900	249,900	
2/1/2026			249,900	249,900	499,800
8/1/2026			249,900	249,900	
2/1/2027			249,900	249,900	499,800
8/1/2027			249,900	249,900	
2/1/2028			249,900	249,900	499,800
8/1/2028			249,900	249,900	
2/1/2029			249,900	249,900	499,800
8/1/2029			249,900	249,900	
2/1/2030			249,900	249,900	499,800
8/1/2030			249,900	249,900	
2/1/2031			249,900	249,900	499,800
8/1/2031			249,900	249,900	
2/1/2032			249,900	249,900	499,800
8/1/2032			249,900	249,900	
2/1/2033			249,900	249,900	499,800
8/1/2033			249,900	249,900	
2/1/2034			249,900	249,900	499,800
8/1/2034			249,900	249,900	
2/1/2035			249,900	249,900	499,800
8/1/2035			249,900	249,900	
2/1/2036			249,900	249,900	499,800
8/1/2036			249,900	249,900	
2/1/2037			249,900	249,900	499,800
8/1/2037			249,900	249,900	
2/1/2038			249,900	249,900	499,800
8/1/2038			249,900	249,900	
2/1/2039	935,000	4.000%	249,900	1,184,900	1,434,800
8/1/2039			231,200	231,200	
2/1/2040	975,000	4.000%	231,200	1,206,200	1,437,400
8/1/2040			211,700	211,700	
2/1/2041	1,010,000	4.000%	211,700	1,221,700	1,433,400
8/1/2041			191,500	191,500	
2/1/2042	1,055,000	4.000%	191,500	1,246,500	1,438,000
8/1/2042			170,400	170,400	
2/1/2043	1,095,000	4.000%	170,400	1,265,400	1,435,800
8/1/2043			148,500	148,500	
2/1/2044	1,140,000	4.000%	148,500	1,288,500	1,437,000
8/1/2044			125,700	125,700	
2/1/2045	1,185,000	4.000%	125,700	1,310,700	1,436,400
8/1/2045			102,000	102,000	
2/1/2046	2,500,000	4.000%	102,000	2,602,000	2,704,000
8/1/2046			52,000	52,000	
2/1/2047	2,600,000	4.000%	52,000	2,652,000	2,704,000
	12,495,000		10,200,405	22,695,405	22,695,405