

IN THE SUPERIOR COURT OF WALTON COUNTY

STATE OF GEORGIA

STATE OF GEORGIA,)
)
 Plaintiff,)
)
 v.)
)
 WALTON COUNTY WATER AND)
 SEWERAGE AUTHORITY and)
 OCONEE COUNTY, GEORGIA,)
)
 Defendants.)

CIVIL ACTION FILE NO. 16-1733-3
 BOND VALIDATION

FILED IN OFFICE
 CLERK SUPERIOR COURT
 WALTON COUNTY GEORGIA
 2016 SEP 21 PM 3:37
 KATHY K. TROST, CLERK

PETITION AND COMPLAINT

TO THE SUPERIOR COURT OF SUCH COUNTY:

The STATE OF GEORGIA, by and through Layla Hinton Zon, District Attorney of the Alcovy Judicial Circuit, files this petition and complaint against the Walton County Water and Sewerage Authority (the "Issuer") and Oconee County, Georgia ("Oconee County"), as defendants, and respectfully shows:

1.

The Issuer was duly created and is validly existing as a body corporate and a public corporation pursuant to an Act of the General Assembly of Georgia (Ga. Laws 1972, p. 3623 et seq.), as amended from time to time (the "Act"). All members of the Issuer have been duly appointed, and the Issuer continues to exist and function. The Issuer is subject to the jurisdiction of this Court.

2.

Defendant Oconee County is a political subdivision of the State of Georgia,

legally created and validly existing and is subject to the jurisdiction of this Court.

3.

Pursuant to the Act and the Constitution of the State of Georgia, the Issuer has, among others, the power, with the consent of the Board of Commissioners of Walton County, Georgia (“Walton County”), to (a) construct, erect, acquire, own, repair, remodel, maintain, add to, extend, improve, equip, operate and manage projects (as defined in the Act), (b) to issue revenue bonds for any of its corporate purposes, including the financing or refinancing, in whole or in part, the costs of such projects, (c) to enter into contracts, leases or agreements and to execute all instruments necessary or convenient, including contracts for construction of projects and (d) to enter into contracts, lease agreements or other undertakings with municipal corporations, counties, and other political subdivisions relative to the furnishing of services and facilities by the Issuer to such entities for a term not exceeding 50 years.

4.

The term “project” is defined in the Act to include, among other things, (i) the acquisition, construction and equipping of water facilities for obtaining one or more sources of water supply, the treatment of water, and the distribution and sale of water to users and consumers, and (ii) the acquisition, construction, equipping, creation, maintenance and extension of any water impoundments, reservoirs, source-withdrawal facilities or similar or related water-supply sources.

5.

Pursuant to a Trust Indenture, dated April 1, 2008 (the “Original Indenture”), between the defendant Issuer and Regions Bank, as trustee (the “Trustee”), as supplemented by a First Supplemental Trust Indenture, dated as of April 1, 2008 (the “First Supplemental

Indenture”), between the defendant Issuer and the Trustee, the defendant Issuer, on April 2, 2008, issued \$19,535,000 in aggregate principal amount of its Revenue Bonds (Oconee-Hard Labor Creek Reservoir Project), Series 2008 (the “Series 2008 Bonds”) to provide funds to (a) finance or refinance a portion of the cost of a reservoir and related treatment and other facilities in Walton County, Georgia, on Hard Labor Creek (the “Reservoir Project”), (b) pay capitalized interest on the Series 2008 Bonds, (c) fund a debt service reserve, and (d) finance the costs of issuance of the Series 2008 Bonds.

6.

In connection with the issuance of the Series 2008 Bonds, the defendant Issuer and defendant Oconee County entered into an Intergovernmental Contract-Hard Labor Creek Reservoir Project, dated as of October 1, 2007 (the “Original Contract”), as amended by a First Supplement to Intergovernmental Contract-Reservoir Project, dated as of April 1, 2008 (the “First Supplement to Contract”), pursuant to which the defendant Issuer agreed to acquire, construct, finance and build the Reservoir Project and make water available therefrom to the defendant Oconee County, and the defendant Oconee County, in consideration of the provision of such facilities and services to the defendant Oconee County, agreed to pay to the defendant Issuer amounts from time to time which the defendant Issuer will use to provide for the payment of the principal of and interest on the Series 2008 Bonds when due (the “Contract Payments”).

7.

Under the Original Indenture, as supplemented by the First Supplemental Indenture, all right, title and interest of the defendant Issuer in the Original Contract, as amended by the First Supplement to Contract, including the defendant Issuer’s right to receive Contract Payments (the “Trust Estate” as to such Series 2008 Bonds) were irrevocably assigned to Trustee

and pledged to the payment of the principal of and interest on, and other amounts payable with respect to, the Series 2008 Bonds.

8.

The Series 2008 Bonds were issued pursuant to the Constitution of the State of Georgia and the various statutes of the State of Georgia including specifically the Act, which empowers the Issuer to issue its revenue obligations in accordance with applicable provision of the Revenue Bond Law of the State of Georgia (O.C.G.A. Sections 36-82-60 and 36-82-85, as hereinbefore and hereinafter amended), in furtherance of the public purpose for which the defendant Issuer was created.

9.

The Series 2008 Bonds are currently outstanding in the aggregate principal amount of \$10,440,000. The Series 2008 Bonds were confirmed and validated, and the Original Indenture and the Original Contract were approved, previously by the order of this Court dated November 6, 2007, in Civil Action File No. 07-3053-4.

10.

The defendant Issuer has also entered into an Intergovernmental Reservoir and Water Supply and Treatment Agreement, dated as of September 1, 2007 (the "Water Supply Agreement"), by and among the defendant Issuer, defendant Oconee County and Walton County, Georgia, under the terms of which defendant Oconee County will, among other things, pay a portion of the cost of the Reservoir Project, and in consideration thereof, have certain rights with respect to the Reservoir Project and a portion of the output therefrom. The Reservoir Project was acquired, constructed and equipped in accordance with the Water Supply Agreement.

11.

Defendant Issuer, in furtherance of the public purposes for which it was created, now proposes to issue its Revenue Bonds (Oconee-Hard Labor Creek Reservoir Project), Series 2016 (the “Series 2016 Bonds”) in the aggregate principal amount of \$9,465,000, for the purpose of providing funds to (i) refund all of the outstanding Series 2008 Bonds (the “Refunded 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 certain costs incident to the issuance of the Series 2016 Bonds, all in furtherance of the public purposes for which the defendant Issuer was created. The Series 2016 Bonds are authorized pursuant to the Constitution of the State of Georgia and the various statutes of the State of Georgia, including specifically the Act, and under and by virtue of the authority of a resolution of the defendant Issuer adopted on September 13, 2016 (the “Bond Resolution”). A certified copy of the Bond Resolution embodying copies of the Third Supplemental Indenture (defined in paragraph 13) and the Third Supplement to Contract (defined in paragraph 14) forms a part of the Notice to the District Attorney attached hereto as Exhibit “A”, and such Notice and the Bond Resolution are by this reference thereto incorporated herein and made a part hereof.

12.

The Series 2016 Bonds, so authorized, shall be designated the “Walton County Water and Sewerage Authority Revenue Bonds (Oconee - Hard Labor Creek Reservoir Project), Series 2016.” The Series 2016 Bonds shall be dated as of and shall bear interest from their date of issuance and delivery. The Series 2016 Bonds shall be issued in the aggregate principal face

amount of \$9,465,000 and shall bear interest and mature as to principal on February 1 in such years and aggregate principal as follows:

<u>Maturity Date (February 1)</u>	<u>Principal Amount</u>	<u>Interest Rate per annum</u>
2017	\$100,000	2.00%
2018	465,000	2.00
2019	475,000	3.00
2020	490,000	4.00
2021	515,000	4.00
2022	530,000	5.00
2023	560,000	5.00
2024	585,000	5.00
2025	615,000	5.00
2026	645,000	5.00
2027	375,000	5.00

\$1,470,000 4.00% Term Bond due February 1, 2036, Yield 2.730%

\$2,640,000 4.00% Term Bond due February 1, 2038, Yield 2.770%

13.

The Series 2016 Bonds will be issued pursuant to the Original Indenture, as supplemented by the First Supplemental Indenture, as supplemented by the Second Supplemental Trust Indenture, dated as of July 1, 2015 (the “Second Supplemental Indenture”) entered into in connection with the issuance of the Issuer’s Refunding Revenue Bonds (Oconee-Hard Labor Creek Reservoir Project), Series 2015 (the “Series 2015 Bonds”), and as to be supplemented by a Third Supplemental Trust Indenture, dated as of October 1, 2016 (the “Third Supplemental Indenture” and together with the Original Indenture, the First Supplemental Indenture, and the Second Supplemental Indenture, the “Indenture”), each between the defendant Issuer and the Trustee. A copy of the Third Supplemental Indenture forms a part of the Notice to the District Attorney attached hereto as Exhibit “A”, and such Third Supplemental Indenture is, by this reference thereto, incorporated herein and made a part hereof.

14.

In connection with the issuance of the Series 2016 Bonds, the defendant Issuer and defendant Oconee County will enter into a Third Supplement to Intergovernmental Contract-Reservoir Project, dated as of October 1, 2016 (the “Third Supplement to Contract” and, together with the Original Contract, as supplemented by the First Supplement to Contract and the Second Supplement to Intergovernmental Contract-Reservoir Project, dated as of July 1, 2015, between the Issuer and Oconee County (the “Second Supplement to Contract”), the “Contract”), which supplements the Original Contract, as supplemented by the First Supplement to Contract and the Second Supplement to Contract, pursuant to which the defendant Issuer agrees to provide the Reservoir Project and the 2016 Reservoir Project and make water available therefrom to the defendant Oconee County, and the defendant Oconee County, in consideration of the provision of such facilities and services to the defendant Oconee County, has agreed to pay to the defendant Issuer amounts from time to time which the defendant Issuer will use to provide for the payment of the principal of and interest on the Series 2015 Bonds and the Series 2016 Bonds when due. A copy of the Third Supplement to Contract forms a part of the Notice to the District Attorney attached hereto as Exhibit “A”, and such Third Supplement to Contract is, by this reference thereto, incorporated herein and made a part hereof.

15.

Under the Indenture, all right, title and interest of the defendant Issuer in the Contract (as supplemented by the First Supplement to Contract, the Second Supplement to Contract and the Third Supplement to Contract), including the defendant Issuer’s right to receive Contract Payments pursuant to the Contract (the “Trust Estate”) will be irrevocably assigned to the Trustee and pledged to the payment of the principal of and interest on, and other amounts

payable with respect to, the related series of the Series 2015 Bonds and the Series 2016 Bonds. The undertakings for which the Series 2016 Bonds will be issued and the Series 2016 Bonds are therefore, sound, reasonable and feasible.

16.

As required by the Act, Walton County, Georgia adopted a resolution (the “Walton County Authorizing Resolution”) on September 13, 2016, consenting to the adoption by the defendant Issuer of the Bond Resolution and approving the actions authorized therein.

17.

The Board of Commissioners of Oconee County duly adopted a resolution on September 14, 2016 (the “Oconee County Authorizing Resolution”) authorizing the Second Supplement to Contract and the actions contemplated in connection therewith.

18.

Pursuant to the Contract, defendant Oconee County has further agreed to levy an annual tax on all taxable property located within the boundaries of Oconee County which is subject to taxation for general county purposes as may be necessary to make the Contract Payments called for by the Contract.

19.

The Trust Estate pledged under the Indenture for each series of the Series 2016 Bonds will constitute the security for the payment of such series of the Series 2016 Bonds and, the Series 2016 Bonds of each series, upon the execution and delivery thereof, will be the legal, valid, binding and enforceable obligations of defendant Issuer.

20.

The Indenture and the Contract will be the legal, valid, binding and enforceable

obligations of the parties thereto, except that the enforceability thereof may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting the enforcement of creditors' rights generally and principles of equity applicable to the availability of specific performance or other equitable relief.

21.

The Series 2016 Bonds will not constitute a debt or a general obligation or a pledge of the faith and credit of the State of Georgia or any political subdivision thereof, including Oconee County, but will constitute limited obligations of the defendant Issuer and will be payable solely from the Trust Estate assigned and pledged to the payment thereof under the Indenture, including particularly the Contract Payments to be made by defendant Oconee County pursuant to the Contract. Neither the State of Georgia nor any political subdivision thereof, including the defendant Oconee County, shall be subject to any pecuniary liability thereon, nor shall any of the Series 2016 Bonds constitute a charge, lien or encumbrance upon any property of the defendant Oconee County, such State or any political subdivision thereof. No owner of any of the Series 2016 Bonds shall ever have the right to compel the exercise of the taxing power of such State or any political subdivision thereof to pay the same or the interest thereon.

22.

The Series 2016 Bonds shall be issued in fully registered form and shall be dated, exchangeable and subject to registration of transfer, and subject to optional and mandatory redemption and tender for purchase, as set forth in the Indenture relating to each such series of the Series 2016 Bonds. In the event of any such exchange or registration of transfer so long as any of the Series 2016 Bonds remain outstanding, such exchanged Series 2016 Bonds or Series 2016 Bonds registered as transferred shall be deemed to be the Series 2016 Bonds as validated

and issued, and the Clerk of the Superior Court of Walton County, Georgia, will be directed by the defendant Issuer pursuant to the Indenture to execute the certificate of validation endorsed upon any of such Series 2016 Bonds at the written request of the respective trustee or the defendant Issuer.

23.

Defendant Issuer is taking all necessary and proper steps to authorize the issuance of the Series 2016 Bonds, and, the defendant Oconee County is taking all necessary and proper steps to consent to the issuance of the Series 2016 Bonds by the defendant Issuer and to authorize, execute and deliver the Third Supplement to Contract, and make the Third Supplement to Contract a valid and binding obligation of the defendant Oconee County.

24.

Defendant Issuer desires to issue the Series 2016 Bonds as aforesaid, and desires that the same may be confirmed and validated according to law, and to this end has notified the District Attorney of the Alcovy Judicial Circuit in writing, which Notice was personally served upon the District Attorney.

25.

The District Attorney, pursuant to the laws of the State of Georgia, particularly O.C.G.A. Section 9-11-52, waives, in the name of the State of Georgia, the requirement that separate findings of fact and conclusions of law be entered in this action.

WHEREFORE, within 20 days from the date of service of the Notice as described in paragraph 11 of this petition and complaint, your District Attorney, pursuant to the laws of the State of Georgia, files this petition and complaint in the name of the State of Georgia against the above-named defendants, and prays:

(a) that an order be issued requiring the defendants to appear and to show cause, if any exists, at such time and place, whether in term or at Chambers, within 20 days from the filing of this petition and complaint, as the Judge of this Court may direct, why the Series 2016 Bonds should not be confirmed and validated, as well as to pass upon all questions of law and fact pertaining to the right to issue the Series 2016 Bonds and the security therefor, including the validity and binding effect of the Contract;

(b) that this petition and complaint and such order as shall be issued be served upon the defendants in the manner provided by law, and that the order so issued be served as process;

(c) that all actions of the defendant Issuer and the defendant Oconee County in connection with the authorization and issuance of the Series 2016 Bonds and the security therefor (including the Indenture and the Contract) be confirmed and validated in all respects; and

(d) that this Court make such other adjudications with respect to the Series 2016 Bonds and the security therefor, including the Contract, as may be proper or necessary in connection with the matters before it.



LAYLA HINTON ZON,
DISTRICT ATTORNEY,
ALCOVY JUDICIAL CIRCUIT

GEORGIA, WALTON COUNTY

TO THE HONORABLE LAYLA HINTON ZON,
DISTRICT ATTORNEY OF THE ALCOVY JUDICIAL CIRCUIT:

YOU ARE HEREBY NOTIFIED that under and by virtue of the Constitution and Laws of the State of Georgia, including specifically, but without limitation, an Act of the General Assembly of Georgia (Ga. Laws 1972, p. 3623 *et seq.*) as amended from time to time (the “Act”), creating the Walton County Water and Sewerage Authority (the “Issuer”) and granting to the Issuer certain powers, including the power to (a) acquire, construct and equip projects, including reservoirs and other water sources, (b) to issue revenue bonds for the purpose of financing or refinancing, in whole or in part, the costs of such projects, and (c) to enter into intergovernmental agreements relating to the facilities and services of the Issuer, the Issuer, in an open meeting duly called and assembled on September 13, 2016, adopted a resolution (the “Bond Resolution”) authorizing the issuance of Walton County Water and Sewerage Authority Revenue Bonds (Oconee-Hard Labor Creek Reservoir Project), Series 2016 (the “Series 2016 Bonds”), in the aggregate principal amount \$9,465,000.

The Series 2016 Bonds are to be issued for the purpose of (a) refunding all of the Issuer’s outstanding Revenue Bonds (Oconee-Hard Labor Creek Reservoir Project), Series 2008 (the “Series 2008 Bonds”), which financed a portion of the cost of a reservoir and related treatment and other facilities in Walton County, Georgia, on Hard Labor Creek (the “Reservoir Project”), (b) financing or refinancing 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 (c) financing the costs of issuance of the Series 2016 Bonds.

The Issuer has or will enter into (a) an Intergovernmental Reservoir and Water Supply and Treatment Agreement, dated as of September 1, 2007 (the “Water Supply

Agreement”), by and among the Issuer, Oconee County, Georgia (“Oconee County”) and Walton County, Georgia (“Walton County”), and (b) an Intergovernmental Contract – Hard Labor Creek Reservoir Project, dated as of October 1, 2007, as supplemented by a First Supplement to Intergovernmental Contract-Reservoir Project, dated as of April 1, 2008, as supplemented by a Second Supplement to Intergovernmental Contract-Reservoir Project, dated as of July 1, 2015, entered into in connection with the issuance of the Issuer’s Refunding Revenue Bonds (Oconee-Hard Labor Creek Project), Series 2015 (the “Series 2015 Bonds”), and as to be supplemented by a Third Supplement to Intergovernmental Contract-Reservoir Project, dated as of October 1, 2016 (the “Third Supplement to Contract”), with Oconee County, pursuant to which the Issuer has agreed or will agree, among other things, to provide the Reservoir Project, the 2016 Reservoir Project and other facilities, services and output to Oconee County, and Oconee County has agreed or will agree to make payments to the Issuer, at times and in amounts sufficient to enable the Issuer to provide for the payment of principal of and interest on the Series 2015 Bonds and the Series 2016 Bonds as the same become due and payable.

All amounts to become due to the Issuer under the Contract will be pledged and assigned for the benefit of the owners, from time to time, of the Series 2015 Bonds and the Series 2016 Bonds under a Trust Indenture, dated as of April 1, 2008, as supplemented by a First Supplemental Trust Indenture, dated as of April 1, 2008, as supplemented by a Second Supplemental Trust Indenture, dated as of July 1, 2015, and as to be supplemented by a Third Supplemental Trust Indenture, dated as of October 1, 2016 (the “Third Supplemental Indenture”), each between the Issuer and Regions Bank, as trustee (the “Trustee”). The rates of interest, maturity dates, annual debt service and certain other pertinent facts pertaining to the Series 2016 Bonds are set forth in the Bond Resolution, and a certified copy of the Bond

Resolution embodying copies of the Third Supplemental Indenture, under which the Series 2016 Bonds are to be issued and the Third Supplement to Contract is attached to this Notice as Exhibit “1” and made a part hereof.

The Board of Commissioners of Oconee County, in a meeting which was duly called and assembled, adopted a resolution on September 14, 2016 (the “Oconee County Authorizing Resolution”) approving the execution and delivery of the Third Supplement to Contract and the actions of Oconee County in connection therewith. A certified copy of such Oconee County Authorizing Resolution is attached to this Notice as Exhibit “2” and made a part hereof.

YOU ARE HEREBY NOTIFIED that the Issuer intends to issue the Series 2016 Bonds and YOU ARE FURTHER HEREBY NOTIFIED of the actions of the Issuer and Oconee County in accordance with the law pertaining to confirmation and validation of such proposed issue of the Series 2016 Bonds and the security therefor, and request is hereby made that you take immediate and proper steps for the confirmation and validation of the Series 2016 Bonds as provided by law.

This 20th day of September, 2016.

WALTON COUNTY WATER AND
SEWERAGE AUTHORITY


Chairman


Assistant Secretary



EXHIBIT "1"

Bond Resolution

BOND RESOLUTION

WHEREAS, the Walton County Water and Sewerage Authority (the "Authority") was duly created and is validly existing pursuant to an Act of the General Assembly of the State of Georgia (Ga. L. 1972, p. 3623 *et seq.*), as amended from time to time (the "Act"); and

WHEREAS, under the Act and under Article IX, Section III of the Constitution of the State of Georgia, the Authority has, among others, the power (a) to acquire and maintain projects embracing sources of water supply and the distribution and sale of water and related facilities to individuals, private concerns, municipal corporations and the State of Georgia, including its political subdivisions and instrumentalities, (b) to issue revenue bonds, notes or other obligations for the purpose of financing or refinancing, in whole or in part, the costs of such projects, and (c) to enter into intergovernmental agreements relating to the facilities and services of the Authority; and

WHEREAS, pursuant to a resolution of the Authority, adopted on September 25, 2007, as supplemented on March 25, 2008 (collectively, the "Original Bond Resolution"), the Authority issued its 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 validated by a judgment of the Superior Court of Walton County, entered on November 6, 2007, Civil Action File Number 07-3053-4; 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 2008 Bonds are currently outstanding in the aggregate principal amount of \$10,440,000; and

WHEREAS, Oconee County, Georgia (the "County") and the Authority have previously entered into an Intergovernmental Contract - 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"), and as supplemented by a Second Supplement to Intergovernmental Contract-Reservoir Project, dated July 1, 2015 (the "Second Supplement to Contract"), pursuant to which the Authority agreed to provide, or cause to be provided, certain water and sewerage facilities and services to the County, and the County 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 2008 Bonds and the Series 2015 Bonds, and which amounts will be pledged to secure the payment of the outstanding Series 2008 Bonds and the 2015 Bonds; and

WHEREAS, the Authority and Regions Bank, Atlanta, Georgia, as trustee (the "Trustee") have heretofore entered into a Trust Indenture, dated as of April 1, 2008 (the "Original Indenture"), as supplemented by the First Supplemental Trust Indenture, dated April 1, 2008 (the "First Supplemental Indenture"), and as supplemented by a Second Supplemental Trust Indenture, dated July 1, 2015 (the "Second Supplemental Indenture"), each between the Authority and the Trustee, which provides for the issuance thereunder of Obligations (as defined in the Original Indenture), including the Series 2008 Bonds and the Series 2015 Bonds; and

WHEREAS, the Authority and the County propose to finance or refinance a portion of the cost of acquiring, constructing, installing and equipping [treatment and transmission facilities] related to the Hard Labor Creek reservoir (the "2016 Reservoir Project"); and

WHEREAS, the Authority proposes to issue its 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 all of the outstanding Series 2008 Bonds (the "Refunded Bonds"), in order to achieve interest cost savings, (ii) finance or refinance the costs of acquiring, constructing, installing and equipping the 2016 Reservoir Project and (iii) pay the costs of issuing the Series 2016 Bonds; and

WHEREAS, the Series 2016 Bonds shall be authorized and issued under the Original Indenture, as supplemented by the First Supplemental Indenture, the Second Supplemental Indenture, and a Third Supplemental Trust Indenture, dated as of October 1, 2016, between the Authority and the Trustee (the "Third Supplemental Indenture" and, together with the Original Indenture, the First Supplemental Indenture, and the Second Supplemental Indenture, the "Indenture"), substantially in the form attached hereto as Exhibit "A"; and

WHEREAS, the Authority proposes to authorize the execution, performance and delivery of the Third Supplement to Intergovernmental Contract-Reservoir Project (the "Third Supplement to Contract" and, together with the Original Contract, the First Supplement to Contract, and the Second Supplement to Contract, the "Intergovernmental Contract"), substantially in the form attached hereto as Exhibit "B" to identify the Series 2016 Bonds as secured by the Intergovernmental Contract with all the rights, benefits and securities granted thereunder and to provide for other related matters; and

WHEREAS, the Series 2016 Bonds will constitute only limited obligations of the Authority and will be payable solely from the Trust Estate (as defined in the Indenture) to be assigned and pledged to the payment thereof, including payments made under the Intergovernmental Contract; and

WHEREAS, the Authority proposes to authorize the execution and delivery of an Escrow Deposit Agreement, dated as of October 18, 2016 (the "Escrow Deposit Agreement"),

substantially in the form attached hereto as Exhibit "C", between the Authority and Regions Bank, Atlanta, Georgia, as escrow agent (the "Escrow Agent") relating to the refunding of the Refunded Bonds; and

WHEREAS, the Authority proposes to authorize the execution and delivery of a Bond Purchase Agreement, dated the date hereof (the "Bond Purchase Agreement"), and substantially in the form presented at this meeting, among the Authority, the County and Stifel Nicolaus & Company, Incorporated (the "Underwriter"), providing for the sale of the Series 2016 Bonds to the Underwriter; and

WHEREAS, the Authority proposes to ratify and approve the distribution of a Preliminary Official Statement (the "Preliminary Official Statement") used in connection with the offering and sale of the Series 2016 Bonds; and

WHEREAS, the Authority proposes to provide to approve the execution and delivery of an Official Statement (the "Official Statement") with respect to the Series 2016 Bonds;

NOW, THEREFORE, BE IT RESOLVED:

Section 1. Authority for Bond Resolution. This resolution is adopted pursuant to the provisions of the Act.

Section 2. Findings. It is hereby ascertained, determined and declared that:

(a) (i) financing or refinancing, in whole or in part, the cost of acquiring, constructing and equipping the 2016 Reservoir Project, (ii) refinancing existing indebtedness of the Authority and (iii) paying the costs of issuance of the Series 2016 Bonds are lawful and valid public purposes in that they will provide additional water supplies to serve the needs of the citizens of the County and will otherwise further the public purposes intended to be served by the Act;

(b) the Series 2016 Bonds will not constitute a debt or general obligation or a pledge of the faith and credit of the State of Georgia or any political subdivision thereof, including the County. Neither the State of Georgia nor any political subdivision thereof, including the County, shall be obligated to pay the principal of, redemption premium (if any) or interest on the Series 2016 Bonds. Neither the faith and credit nor the taxing power of the State of Georgia or any political subdivision thereof, including the County, is pledged to the payment of the principal of, redemption premium (if any) or interest on the Series 2016 Bonds; and

(c) the issuance of the Series 2016 Bonds and the refunding of the Refunded Bonds will serve the purposes for which the Authority was created and are sound, reasonable and feasible.

Section 3. Authorization of Issuance of Series 2016 Bonds. The issuance of the Series 2016 Bonds in the aggregate principal amount of \$9,465,000 and designated as "Walton County Water and Sewerage Authority Revenue Bonds (Oconee-Hard Labor Creek Reservoir Project), Series 2016" is hereby authorized. The Series 2016 Bonds shall be dated the date of their

issuance and delivery, shall bear interest at the rate or rates per annum set forth in the Third Supplemental Indenture attached hereto as Exhibit "A", shall be subject to optional redemption or purchase prior to maturity and shall mature on February 1 in each of the years and in the principal amounts set forth in the Third Supplemental Indenture.

Section 4. Third Supplemental Indenture. The execution, delivery and performance of the Third Supplemental Indenture be and the same are hereby authorized and approved. The Third Supplemental Indenture shall be executed by the Chairman or Vice Chairman and attested by the Secretary or Assistant Secretary of the Authority, and shall be in substantially the form attached hereto as Exhibit "A", subject to such changes, insertions and omissions as may be approved by the Chairman or Vice Chairman of the Authority, and the execution of such Third Supplemental Indenture by the Chairman or Vice Chairman and Secretary or Assistant Secretary of the Authority as hereby authorized shall be conclusive evidence of such approval.

Section 5. Third Supplement to Contract. The execution, delivery and performance of the Third Supplement to Contract be and the same are hereby authorized and approved. The Third Supplement to Contract shall be executed by the Chairman or Vice Chairman and attested by the Secretary or Assistant Secretary of the Authority, and shall be in substantially the form attached hereto as Exhibit "B", subject to such changes, insertions and omissions as may be approved by the Chairman or Vice Chairman of the Authority, and the execution of such Third Supplement to Contract by the Chairman or Vice Chairman and Secretary or Assistant Secretary of the Authority as hereby authorized shall be conclusive evidence of such approval.

Section 6. Bond Purchase Agreement. The execution, delivery and performance of the Bond Purchase Agreement be and the same are hereby authorized and approved. The Bond Purchase Agreement shall be executed by the Chairman or Vice Chairman and attested by the Secretary or Assistant Secretary of the Authority, and shall be in substantially the form presented at this meeting, subject to such changes, insertions and omissions as may be approved by the Chairman or Vice Chairman of the Authority, and the execution of such Bond Purchase Agreement by the Chairman or Vice Chairman and Secretary or Assistant Secretary of the Authority as hereby authorized shall be conclusive evidence of such approval.

Section 7. Escrow Deposit Agreement. The execution, delivery and performance of the Escrow Deposit Agreement be and the same are hereby authorized and approved. The Escrow Deposit Agreement shall be executed by the Chairman or Vice Chairman and attested by the Secretary or Assistant Secretary of the Authority, and shall be in substantially the form attached hereto as Exhibit "C", subject to such changes, insertions and omissions as may be approved by the Chairman or Vice Chairman of the Authority, and the execution of such Escrow Deposit Agreement by the Chairman or Vice Chairman and Secretary or Assistant Secretary of the Authority as hereby authorized shall be conclusive evidence of such approval.

Section 8. Refunding of Refunded Bonds. The Refunded Bonds shall be refunded through provision for their payment and redemption, as provided in the Escrow Deposit Agreement. The Authority hereby exercises its right under the First Supplemental Indenture to redeem the Refunded Bonds. The Authority hereby directs Regions Bank to send a notice of

redemption in connection with the redemption of the Refunded Bonds and to send a provision of payment notice in connection with the refunding of the Refunded Bonds.

Section 9. Approval of Preliminary Official Statement. The use and distribution of the Preliminary Official Statement with respect to the Series 2016 Bonds is hereby ratified and approved.

Section 10. Deemed Final Certificate. The execution and delivery of the certificate deeming the Preliminary Official Statement final for purpose of Rule 15c2-12 promulgated under the Securities and Exchange Act of 1934, as amended, are hereby ratified and approved.

Section 11. Approval of Official Statement. The Chairman or Vice Chairman of the Authority is hereby authorized to execute and deliver on behalf of the Authority the Official Statement and such certificates or letters of representation as may be necessary or convenient relating to the information concerning the Authority in the Official Statement relating to the Series 2016 Bonds. The Official Statement shall be in substantially the form as the Preliminary Official Statement, subject to such changes, insertions or omissions as may be approved by the Chairman or Vice Chairman executing the same, and the execution of the Official Statement by the Chairman or Vice Chairman as herein authorized shall be conclusive evidence of such approval. The use and distribution of the Official Statement by the underwriter of the Series 2016 Bonds is hereby approved.

Section 12. Validation of Series 2016 Bonds. In order to proceed with the validation of the Series 2016 Bonds, any officer of the Authority is hereby authorized and directed to notify the District Attorney of the Alcovy Judicial Circuit of the action taken by the Authority as shown by this resolution, to request the District Attorney to institute proper proceedings to confirm and validate the Series 2016 Bonds and to pass upon the security therefor, to acknowledge service and to make answer on behalf of the Authority in such proceedings. Any officer of the Authority is authorized to take any and all further action and to execute any and all further instruments and pleadings as such officer might deem necessary to accomplish validation of the Series 2016 Bonds.

Section 13. Non-Arbitrage Certification. Any officer of the Authority is hereby authorized to execute a non-arbitrage certification relating to the Series 2016 Bonds in order to comply with Section 148 of the Internal Revenue Code of 1986, as amended (the "Code"), and the applicable Treasury Regulations thereunder.

Section 14. Information Reporting Pursuant to Section 149(e) of the Code. Any officer of the Authority is hereby authorized to execute and file or cause to be filed a completed I.R.S. Form 8038-G "Information Return for Government Obligations" relating to the Series 2016 Bonds as required by Section 149(e) of the Code and to make such other filings with respect to the issuance of the Series 2016 Bonds as may be required under the laws of the State of Georgia.

Section 15. Ratification of Prior Actions; Repealing Clause. The terms and provisions of the Original Indenture, as supplemented by the First Supplemental Indenture and the Second Supplemental Contract and the Original Intergovernmental Contract, as supplemented by the

First Supplement to Contract and the Second Supplement to Contract, and all actions of the Authority previously taken with respect thereto, are hereby ratified and reaffirmed except to the extent specifically modified or supplemented by this resolution and by the execution of the Third Supplemental Indenture and the Third Supplement to Contract as contemplated herein.

Section 16. No Personal Liability. No stipulation, obligation or agreement herein contained or contained in the Indenture, the Intergovernmental Contract or any amendatory contract or any other document relating to the Series 2016 Bonds shall be deemed to be a stipulation, obligation or agreement of any officer, member, agent or employee of the Authority in his or her individual capacity and no such officer, member, agent or employee shall be personally liable on the Series 2016 Bonds or be subject to personal liability or accountability by reason of the issuance or amendment thereof.

Section 17. General Authority. From and after the adoption of this resolution, the proper officers, members, agents and employees of the Authority are hereby authorized, empowered and directed to do all such acts and things, including, but not limited to making covenants on behalf of the Authority and to execute all such documents as may be necessary to carry out and comply with the provisions of this resolution and are further authorized to take any and all further actions and to execute and deliver any and all other documents, closing papers and certificates, as may be necessary or desirable in connection with the validation, issuance, sale and delivery of the Series 2016 Bonds or any series thereof as approved herein.

The Chairman or Vice Chairman and Secretary or Assistant Secretary of the Authority are hereby authorized and directed to prepare and furnish to the purchaser or purchasers of the Series 2016 Bonds, certified copies of all proceedings and records of the Authority relating to the Series 2016 Bonds and such other affidavits, closing documents and certificates as may be required to show the facts relating to the legality and marketability of the Series 2016 Bonds as such facts appear from the books and records in the Authority's custody or control or as otherwise known to them; all such certified copies, closing papers, certificates and affidavits, including any heretofore furnished, shall constitute representations of the Authority to the truth of all statements contained therein.

Section 18. Actions Approved and Confirmed. All acts and doings of the officers, members, agents and employees of the Authority which are in conformity with the purposes and intent of this resolution and in furtherance of the issuance of the Series 2016 Bonds and the execution, delivery and performance of the other documents and matters approved herein are hereby in all respects approved and confirmed.

Section 19. Severability of Invalid Provisions. If any one or more of the agreements or provisions herein contained shall be held contrary to any express provision of law or contrary to the policy of express law, though not expressly prohibited, or against public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements or provisions shall be null and void and shall be deemed separable from the remaining agreements and provisions and shall in no way affect the validity of any of the other agreements and provisions hereof or of the Series 2016 Bonds authorized hereunder.

Section 20. Repealing Clause. Any and all resolutions or parts of resolutions in conflict with this Bond Resolution are hereby repealed, and this Bond Resolution shall be of full force and effect from and after its adoption.

Section 21. Effective Date. This resolution shall take effect immediately upon its adoption.

APPROVED AND ADOPTED this 13th day of September, 2016.

WALTON COUNTY WATER AND
SEWERAGE AUTHORITY

By: *Bud Johnson*
Chairman

Attest:

Wendell H. Berg
Assistant Secretary



EXHIBIT A

THIRD SUPPLEMENTAL INDENTURE

THIRD SUPPLEMENTAL TRUST INDENTURE

among

WALTON COUNTY WATER AND SEWERAGE AUTHORITY

and

REGIONS BANK

as Trustee

Dated as of October 1, 2016

Relating to

Walton County Water and Sewerage Authority
Revenue Bonds
(Oconee-Hard Labor Creek Reservoir Project),
Series 2016

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THIRD SUPPLEMENTAL TRUST INDENTURE

This THIRD SUPPLEMENTAL TRUST INDENTURE, dated as of October 1, 2016 (the “Third Supplemental Indenture”), by and between WALTON COUNTY WATER AND SEWERAGE AUTHORITY (the “Authority”) and REGIONS BANK, Atlanta, Georgia (the “Trustee”), a state banking association, as trustee;

WITNESSETH:

WHEREAS, the Authority and the Trustee have heretofore entered into 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”), a Second Supplemental Trust Indenture, dated as of July 1, 2015 (the “Second Supplemental Indenture”), and as supplemented and amended hereby (collectively, the “Indenture”), which provides for the issuance thereunder of Obligations (as defined in the Original Indenture) and provides that the Trustee shall enter into an indenture supplemental to the Original Indenture in connection therewith; and

WHEREAS, pursuant to the terms provided in the Original Indenture and the First Supplemental Indenture, the Authority has previously issued its 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 the bond insurance premium on a municipal bond insurance policy; and

WHEREAS, pursuant to the terms provided in the Original Indenture and the Second Supplemental Indenture, the Authority has previously issued its 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 2008 Bonds are currently outstanding in the aggregate principal amount of \$10,440,000; and

WHEREAS, the Authority, proposes to issue its 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 all of the outstanding Series 2008 Bonds (the “Refunded Bonds”), in order to achieve interest cost savings, (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 the costs of issuing the Series 2016 Bonds; and

WHEREAS, all acts and things necessary to make the Series 2016 Bonds, when authenticated and issued as provided in the Original Indenture, the First Supplemental Indenture, the Second Supplemental Indenture, and this Third Supplemental Indenture, the valid, binding and legal obligations of the Authority, and to constitute the Original Indenture, the First Supplemental Indenture, the Second Supplemental Indenture and this Third Supplemental Indenture as valid, binding and legal instruments for the security of the Series 2016 Bonds have been done and performed, and the creation, execution and delivery of this Third Supplemental Indenture and the creation, execution and delivery of the Series 2016 Bonds, subject to the terms of the Original Indenture, the First Supplemental Indenture, the Second Supplemental Indenture and this Third Supplemental Indenture have in all respects been duly authorized;

NOW, THEREFORE, THIS THIRD SUPPLEMENTAL MASTER INDENTURE WITNESSETH:

That in order to secure the payment of the principal of and interest on the Series 2016 Bonds, the performance of all of the covenants and conditions contained in the Original Indenture, the First Supplemental Indenture, the Second Supplemental Indenture and this Third Supplemental Indenture, the Series 2016 Bonds and for the purpose, among others, of further securing the performance and observance of all of the covenants and conditions contained in the Original Indenture, the Authority for and in consideration of the premises and of the purchase and acceptance by the owners thereof of the Series 2016 Bonds and of the sum of \$1.00 duly paid by the Trustee to the Authority and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, have executed and delivered this Third Supplemental Indenture, and the Authority and the Trustee DO HEREBY COVENANT AND AGREE with each other and with the registered owners from time to time of the Series 2016 Bonds as follows:

ARTICLE I

DEFINITIONS

Section 1.1. Definitions. All capitalized terms and words used in this Third Supplemental Indenture and not otherwise defined herein shall have the meanings set forth or incorporated in Section 1.1 of the Original Indenture, unless the context or use clearly indicates another or different meaning or intent. In addition, the following terms and words have the following meanings for the purposes of this Third Supplemental Indenture:

“2016 Reservoir Project” shall mean the acquisition, construction, installation and equipping of storage and transmission facilities related to the Hard Labor Creek reservoir.

“2016 Project Fund Account” shall mean the account in the Construction Fund created in Section 4.5 hereof.

“2016 Sinking Fund Account” shall mean the account in the Sinking Fund created in Section 4.6 hereof.

“DTC” shall mean The Depository Trust Company, or any successor or assignee thereof.

“Escrow Deposit Agreement” means the Escrow Deposit Agreement, dated as of October 18, 2016, by and between the Authority and Regions Bank, Atlanta, Georgia, as escrow agent.

“First Supplemental Indenture” shall mean the First Supplemental Trust Indenture, dated as of April 1, 2008, between the Authority and the Trustee.

“Interest Payment Date” shall mean, as to the Series 2016 Bonds, each February 1 and August 1, commencing February 1, 2017.

“Original Indenture” shall mean the Trust Indenture, dated as of April 1, 2008, between the Authority and the Trustee.

“Paying Agent” means Regions Bank, Atlanta, Georgia, or any successor thereto or assignee thereof.

“Principal Office of the Trustee” shall be Attention: Corporate Trust Department, 1180 W. Peachtree Street, Suite 1200, Atlanta, Georgia 30309, or such other office of the Trustee so designated by written notice to the Authority.

“Prior Bonds” means the Authority’s Refunding Revenue Bonds (Oconee - Hard Labor Creek Reservoir Project), Series 2015.

“Record Date” shall mean the 15th day (whether or not a Business Day) of the calendar month next preceding any Interest Payment Date, redemption date or maturity date as to the Series 2016 Bonds.

“Second Supplemental Indenture” shall mean the Second Supplemental Trust Indenture, dated as of July 1, 2015, between the Authority and the Trustee.

“Series 2016 Bonds” means the Authority’s Revenue Bonds (Oconee - Hard Labor Creek Reservoir Project), Series 2016.

“Third Supplemental Indenture” shall mean this Third Supplemental Trust Indenture, dated as of October 1, 2016 between the Authority and the Trustee.

ARTICLE II

THE SERIES 2016 BONDS

Section 2.1. Designation of Series 2016 Bonds. There is hereby authorized to be issued under the Original Indenture, as supplemented by the First Supplemental Indenture, the Second Supplemental Indenture and this Third Supplemental Indenture, a series of bonds which shall be designated as the “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 are limited obligations of the Authority as provided in the Original Indenture.

Section 2.2. Terms of Series 2016 Bonds. The Series 2016 Bonds shall be issued in fully registered form in the denomination of \$5,000 or any integral multiple thereof. Each of the Series 2016 Bonds shall be lettered and numbered from R-1 upwards in order of issuance according to the records maintained by the Trustee and may have such other legends or identifying marks as the Trustee or the Authority deems advisable. The Series 2016 Bonds shall bear the date of authentication. Every Series 2016 Bond issued in exchange for or upon registration of transfer of a Series 2016 Bond as originally issued shall bear its date of authentication.

The principal and interest and redemption premium (if any) on the Series 2016 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 payment of public and private debts. The principal of and redemption premium (if any) on the Series 2016 Bonds are payable only upon presentation and surrender thereof at the Principal Office of the Trustee. The Series 2016 Bonds shall bear interest (computed on the basis of a 360-day year comprised of twelve 30-day months), payable on each Interest Payment Date, commencing February 1, 2017, from the Interest Payment Date next preceding the date of authentication of such Series 2016 Bond to which interest has been paid or provided for, unless the date of authentication of such Series 2016 Bond is an Interest Payment Date to which interest has been paid or provided for, then from the date of authentication thereof, or unless no interest has been paid on such Series 2016 Bond, in which case from the date of issuance of the Series 2016 Bonds; provided that if the authentication date for a Series 2016 Bond shall be after any Record Date and before the next succeeding Interest Payment Date, then

interest shall be paid on such Series 2016 Bonds from the interest payment date next succeeding the authentication date.

Interest on each Series 2016 Bond shall be payable on each Interest Payment Date by check or draft mailed by first class mail on the date on which due to the person in whose name such Series 2016 Bond is registered on the registration books of the Authority maintained by the Trustee at the close of business on the Record Date, except that any interest not so timely paid or duly provided for shall cease to be payable to the person who is the registered owner of such Series 2016 Bond (or one or more predecessor Series 2016 Bonds) as of the Record Date, and shall be payable to the person who is the registered owner of such Series 2016 Bond (or of one or more predecessor Series 2016 Bonds) at the close of business on a special record date for the payment of such defaulted interest. Such special record date shall be fixed by the Trustee whenever moneys become available for the payment of such defaulted interest, and notice of the special record date shall be given by first class mail by the Trustee or by or on behalf of the Authority to the registered owner thereof not less than 15 days prior thereto. Such interest shall be mailed to the registered owner at his or her address as shown on the bond register maintained by the Trustee on the Record Date. In the event that any owner of Series 2016 Bonds, in an aggregate principal amount of at least \$1,000,000, shall provide the Trustee on or prior to any Record Date with written wire transfer instructions, the interest on subsequent Interest Payment Dates shall be paid in accordance with such instructions, or to such securities depository, as the case may be, until the Trustee receives written notice to the contrary.

Notwithstanding the foregoing, as long as the Series 2016 Bonds are in book-entry form and registered in the name of a depository or its nominee, principal and interest shall be payable in accordance with Section 2.4 hereof.

The Series 2016 Bonds shall mature on February 1 in each of the years and in the principal amounts set forth below and shall bear interest at the respective rate of interest per annum as follows:

<u>Maturity Date</u> <u>(February 1)</u>	<u>Principal Amount</u>	<u>Interest Rate per annum</u>
2017	\$100,000	2.00%
2018	465,000	2.00
2019	475,000	3.00
2020	490,000	4.00
2021	515,000	4.00
2022	530,000	5.00
2023	560,000	5.00
2024	585,000	5.00
2025	615,000	5.00
2026	645,000	5.00
2027	375,000	5.00

\$1,470,000 4.00% Term Bond due February 1, 2036, Yield 2.730%

\$2,640,000 4.00% Term Bond due February 1, 2038, Yield 2.770%

Section 2.3. Form of Series 2016 Bonds. The Series 2016 Bonds, the certificate of authentication, the form of assignment and the certificate of validation to be endorsed upon the Series 2016 Bonds, shall be substantially in the form attached hereto as Exhibit "A", with such variations, omissions and insertions as are required to distinguish between the Series 2016 Bonds or otherwise as are required or permitted by this Third Supplemental Indenture or the Original Indenture.

Section 2.4. Book-Entry System.

(a) The Authority hereby provides that Series 2016 Bonds may be issued in book-entry form. Notwithstanding any inconsistent provision in this Indenture to the contrary, the provisions of this Section 2.4 shall govern at any time that the Series 2016 Bonds are issued in book-entry form.

(b) Series 2016 Bonds issued in book-entry form shall be issued in the form of one fully-registered immobilized certificate for each maturity of Series 2016 Bonds outstanding which certificates, taken together, will represent the total aggregate principal amount of the Series 2016 Bonds, which Series 2016 Bonds (except as provided in paragraph (i) below) shall be registered in the name of Cede & Co., as nominee of DTC; provided, that if DTC shall request that the Series 2016 Bonds be registered in the name of a different nominee, the Paying Agent shall exchange all or any portion of the Series 2016 Bonds for an equal aggregate principal amount of Series 2016 Bonds registered in the name of such other nominee or nominees of DTC. No person other than DTC or its nominee shall be entitled to receive from the Authority, the Trustee or the Paying Agent a Series 2016 Bond or any other evidence of ownership of the Series 2016 Bonds, or any right to receive any payment in respect thereof, unless DTC or its nominee shall transfer record ownership of all or any portion of the Series 2016 Bonds on the Series 2016 Bond registration books to be maintained by the Trustee, in connection with discontinuing the book-entry system as provided in paragraph (i) below or otherwise.

(c) So long as the Series 2016 Bonds or any portion thereof are registered in the name of DTC or any nominee thereof, all payments of the principal of, prepayment premium, if any, or interest on such Series 2016 Bonds shall be made to DTC or its nominee in immediately available funds on the dates provided for such payments under this Indenture and at such times as provided in the Letter of Representation to be entered into among the Authority, the Trustee and DTC or in a blanket letter of representation executed by the Authority and delivered to DTC (the "Representation Letter"). Each such payment to DTC or its nominee shall be valid and effective to fully discharge all liability of the Authority, the Trustee, or the Paying Agent with respect to the principal of, prepayment premium, if any, or interest on the Series 2016 Bonds to the extent of the sum or sums so paid. In the event of the prepayment of less than all of the Series 2016 Bonds Outstanding of any maturity, the Trustee shall not require surrender by DTC or its nominee of the Series 2016 Bonds so redeemed, but DTC or its nominee may retain such Series 2016 Bonds and make an appropriate notation thereon as to the amount of such partial redemption; provided, that DTC shall deliver to the Trustee, upon request, a written confirmation of such partial prepayment and thereafter the records maintained by the Trustee shall be conclusive as to the amount of the Series 2016 Bonds of such maturity which have been prepaid.

(d) All transfers of beneficial ownership interests in, exchanges and selection of Series 2016 Bonds to be redeemed of such Series 2016 Bonds issued in book-entry form shall be effected by procedures by DTC with its participants for recording and transferring the ownership of beneficial interests in each such series of Series 2016 Bonds.

(e) The Authority, the Trustee and the Paying Agent may treat DTC (or its nominee) as the sole and exclusive Owner of the Series 2016 Bonds registered in its name for the purposes of payment of the principal of, prepayment premium, if any, or interest on the Series 2016 Bonds, selecting the Series 2016 Bonds or portions thereof to be redeemed, giving any notice permitted or required to be given to Owners under this Indenture, registering the transfer of Series 2016 Bonds, obtaining any consent or other action to be taken by Owners and for all other purposes whatsoever; and the Authority, the Trustee and the Paying Agent shall not be affected by any notice to the contrary. The Authority, the Trustee and the Paying Agent shall not have any responsibility or obligation to any participant in DTC, any person claiming a beneficial ownership interest in the Series 2016 Bonds under or through DTC or any such participant, or any other person which is not shown on the Series 2016 Bond registration books as being an Owner, with respect to: (i) the Series 2016 Bonds, or (ii) the accuracy of any records maintained by DTC or any such participant; or (iii) the payment by DTC or any such participant of any amount in respect of the principal, redemption price of or interest on the Series 2016 Bonds; or (iv) any notice which is permitted or required to be given to Owners under this Indenture; or (v) the selection by DTC or any such participant of any person to receive payment in the event of a partial redemption of the Series 2016 Bonds; or (vi) any consent given or other action taken by DTC as Owner.

(f) So long as the Series 2016 Bonds or any portion thereof are registered in the name of DTC or any nominee thereof, all notices required or permitted to be given to the Owners under this Indenture shall be given to DTC as provided in the Representation Letter to be delivered to DTC, in form and content satisfactory to DTC, the Authority and the Trustee.

(g) In connection with any notice or other communication to be provided to Owners pursuant to this Indenture by the Authority, the Trustee or the Paying Agent with respect to any consent or other action to be taken by Owners, DTC shall consider the date of receipt of notice requesting such consent or other action as the record date for such consent or other action; provided, that the Authority, the Trustee or the Paying Agent shall give DTC notice of any special record date not less than 15 calendar days in advance of such special record date to the extent possible.

(h) Any successor Trustee, in its written acceptance of its duties under this Indenture, shall agree to take any actions necessary from time to time to comply with the requirements of the Representation Letter.

(i) The book-entry system for registration of the ownership of the Series 2016 Bonds in book-entry form may be discontinued at any time if: (i) after notice to the Authority, the Trustee and the Paying Agent, DTC determines to resign as securities depository for the Series 2016 Bonds; or (ii) after notice to DTC, the Trustee and the Paying Agent, the Authority

determines that a continuation of the system of book-entry transfers through DTC (or through a successor securities depository) is not in the best interests of the Authority; or (iii) after notice to the Authority, the Trustee and the Paying Agent, DTC determines that the current system of book-entry transfers through DTC does not permit DTC to act as a securities depository for the Series 2016 Bonds. In each of such events (unless, in the cases described in clause (i) or (iii) above, the Authority appoints a successor securities depository), the Series 2016 Bonds shall be delivered in registered certificate form to such persons, and by Series in such maturities and principal amounts, as may be designated by DTC, but without any liability on the part of the Authority, the Trustee or the Paying Agent for the accuracy of such designation. Whenever DTC requests the Authority and the Trustee to do so, the Authority and the Trustee shall cooperate with DTC in taking appropriate action after reasonable notice to arrange for another securities depository to maintain custody of certificates evidencing the Series 2016 Bonds.

(j) The Authority hereafter may amend this Indenture or enter into one or more amendments or supplements hereto without notice to or consent of the Owners of any of the Series 2016 Bonds in order (i) to offer to the beneficial owners of the Series 2016 Bonds the option of receiving any Series 2016 Bonds in certificated form or (ii) to require the execution and delivery of certificated Series 2016 Bonds representing a portion or all of the Series 2016 Bonds, (A) if DTC shall cease to serve as depository and no successor depository can be found to serve upon terms satisfactory to the Authority, or (B) if the Authority determines that it would be in their best interest or in the best interests of the beneficial owners of the Series 2016 Bonds that they obtain certificated Series 2016 Bonds; provided, that any such amendment or supplement is in form reasonably satisfactory to the Trustee.

ARTICLE III

REDEMPTION OF SERIES 2016 BONDS BEFORE MATURITY

Section 3.1. Optional Redemption of Series 2016 Bonds. The Series 2016 Bonds maturing on or after February 1, 2027 are redeemable at the option of the Authority, in whole or in part at any time and in any order of maturity, not earlier than February 1, 2026, from any moneys available therefor, at a redemption price of 100% of principal amount of such bonds, plus accrued interest to the redemption date.

In order to exercise such optional redemption, the Authority shall give the Trustee notice of such redemption specifying (i) the maturity date of the Series 2016 Bonds to be redeemed and the principal amount of each such maturity to be redeemed, (ii) the redemption price to be paid as provided in the paragraph above, and (iii) the date of such redemption. Such notice shall be provided to the Trustee at least 15 days prior to date that the Trustee is required to provide notice of such redemption to the owners of the Series 2016 Bonds to be redeemed unless the Trustee shall waive such notice.

Section 3.2. Mandatory Sinking Fund Redemption. The Series 2016 Bonds maturing on February 1, 2036, are subject to mandatory sinking fund redemption on February 1, 2028 and on each February 1 thereafter, in accordance with the table below, at a redemption price equal to the principal amount of each Series 2016 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, 2036 amount to be paid rather than redeemed):

<u>February 1 of the Year</u>	<u>Principal Amount to be redeemed</u>
2028	\$25,000
2029	25,000
2030	25,000
2031	25,000
2032	30,000
2033	30,000
2034	30,000
2035	30,000
2036	1,250,000

The Series 2016 Bonds maturing on February 1, 2038, are subject to mandatory sinking fund redemption on February 1, 2037 and on each February 1 thereafter, in accordance with the table below, at a redemption price equal to the principal amount of each Series 2016 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, 2038 amount to be paid rather than redeemed):

<u>February 1 of the Year</u>	<u>Principal Amount to be redeemed</u>
2037	\$1,295,000
2038	1,345,000

At its option, to be exercised on or before the 45th day next preceding any sinking fund redemption date, the Authority may (a) deliver to the Trustee for cancellation Series 2016 Bonds of the appropriate maturity in any aggregate principal amount desired or (b) receive a credit in respect of its sinking fund redemption obligation for any Series 2016 Bonds of the appropriate maturity which prior to said date have been redeemed (otherwise than through the operation of this Section) and cancelled by the Trustee and not theretofore applied as a credit against any prior mandatory sinking fund redemption obligation. Each Series 2016 Bond so delivered or previously redeemed shall be credited by the Trustee at 100% of the principal amount thereof on the obligation of the Authority on such sinking fund redemption date and any excess shall be credited on future sinking fund redemption obligations in such order as may be specified by the Authority, and the principal amount of such Series 2016 Bonds to be redeemed by operation of the sinking fund shall be accordingly reduced.

Section 3.3. Effect of Redemption Call. Prior to any redemption date, the Authority shall deposit with the Paying Agent an amount of money sufficient to pay the redemption price of all the Series 2016 Bonds or portion of the Series 2016 Bonds which are to be redeemed on that date. Notice having been given in the manner and under the conditions herein provided, and moneys for the payment of the redemption price being held by the Paying Agent, all as provided in the Indenture, the Series 2016 Bonds so called for redemption shall, on the redemption date designated in such notice, become and be due and payable at the redemption price provided for redemption of such Series 2016 Bonds on such date, interest on the Series 2016 Bonds so called for redemption shall cease to accrue, such Series 2016 Bonds shall cease to be entitled to any lien, benefit or security under the Indenture, and the owners of such Series 2016 Bonds shall have no rights in respect thereof except to receive payment of the redemption price thereof. Upon surrender for any partial redemption of any Series 2016 Bond, there shall be delivered to the registered owner, a new Series 2016 Bond or Series 2016 Bonds of the same maturity, series and interest rate in the amount of unpaid principal. All Series 2016 Bonds which have been redeemed shall be cancelled by the Bond Registrar pursuant to Section 3.8 of the First Supplemental Indenture.

Section 3.4. Partial Redemptions. If less than all of the Series 2016 Bonds of a maturity are to be redeemed, the particular Series 2016 Bonds of such maturity to be redeemed shall be selected by lot in such manner as may be designated by DTC, when in Book-Entry Form, and by the Paying Agent, when not in Book-Entry Form. The Series 2016 Bonds are subject to redemption only in principal amounts of \$5,000 or any integral multiple thereof. Any Series 2016 Bond, a portion of which has been redeemed as contemplated by this Section, shall be considered to be outstanding only in an amount reduced by the portion thereof so redeemed whether or not it has been surrendered as aforesaid.

Section 3.5. Redemption Need Not Be Pro Rata. Redemption need not be pro rata among series of Series 2016 Bonds. The Authority may redeem any or all of the Series 2016 Bonds of

any series before it redeems any of the Series 2016 Bonds of any other series, or, subject to the terms of the Indenture, as supplemented, relating to a series of Additional Indebtedness, it may redeem a portion of the Series 2016 Bonds of one series before, or at the same time that, it redeems all or a portion of any other series.

Section 3.6. Notice of Redemption. Notice of any redemption of Series 2016 Bonds shall be given one time not more than 60 and not less than 30 days prior to the date fixed for redemption to the holders of each of the Series 2016 Bonds being called for redemption by registered or certified mail at the address shown on the register of the Bond Registrar pertaining to the Series 2016 Bonds; provided, that if the Authority shall issue any Additional Indebtedness bearing interest at other than a fixed rate, it may, in the proceedings relating thereto, provide for shorter or longer periods for notices of redemption as it may deem appropriate. Failure of the Authority to give any such notice or any defect therein as to any Series 2016 Bond or Series 2016 Bonds shall not affect the redemption of any other Series 2016 Bonds as to which proper notice of redemption has been given as provided herein or therein. Failure of the holder of any Series 2016 Bond to receive any such notice as so given shall not affect the validity of the proceedings for the redemption of any such Series 2016 Bond.

If at the time of mailing of notice of redemption there shall not have been deposited with the Paying Agent moneys sufficient to redeem all the Series 2016 Bonds called for redemption, which moneys are or will be available for redemption of Series 2016 Bonds, such notice shall state that it is conditional upon the deposit of the redemption moneys with the Paying Agent not later than the opening of business on the redemption date, and such notice shall be of no effect unless such moneys are so deposited.

Section 3.7. Cancellation and Destruction of Series 2016 Bonds. All Series 2016 Bonds paid, redeemed or purchased, either at or before maturity, when such payment, redemption or purchase is made, shall thereupon be canceled by the Trustee and shall not be reissued but shall thereupon be destroyed by the Trustee and a record thereof furnished periodically to the Authority.

Section 3.8. Conditions to Delivery of Series 2016 Bonds. The Series 2016 Bonds shall be authenticated by the Trustee and delivered to or upon the directions of the purchaser thereof upon receipt by the Trustee of all conditions to the issuance of Obligations under Sections 2.7 and 4.1 of the Original Indenture.

ARTICLE IV

SOURCE AND APPLICATION OF FUNDS; REFUNDING OF REFUNDED BONDS; 2016 SINKING FUND ACCOUNT; COSTS OF ISSUANCE FUND

Section 4.1. Application of Proceeds of Series 2016 Bonds. Upon the issuance and delivery of the Series 2016 Bonds, the net proceeds of the sale thereof in the amount of \$10,745,589.95 (representing the aggregate principal amount of the Series 2016 Bonds of \$9,465,000, plus net original issue premium of \$1,351,577.45, less underwriter's discount of \$70,987.50) shall be deposited as follows:

(i) an amount needed to advance refund the Refunded Bonds shall be deposited with the Escrow Agent, under the Escrow Deposit Agreement, which amount, and the interest derived therefrom, along with other available funds of the Authority, shall be sufficient to pay the principal of and interest on the Refunded Bonds as they come due from February 1, 2017 through February 1, 2018 and to redeem the Series 2008 Bonds, maturing on and after February 1, 2019 on February 1, 2018; and

(ii) \$2,257,740.64 shall be deposited into the 2016 Construction Fund Account (as defined below) and applied to the costs of acquiring, constructing, installing and equipping the 2016 Reservoir Project; and

(iii) The balance of the proceeds from the sale of the Series 2016 Bonds shall be deposited into the Costs of Issuance Fund (as defined below) and applied to the payment of the costs of issuance for the Series 2016 Bonds. At such time as all of the costs of issuance for the Series 2016 Bonds have been paid, any moneys remaining in the Costs of Issuance Fund shall be deposited into the Sinking Fund and applied to the payment of principal of and interest on the Series 2016 Bonds.

Section 4.2. Refunding of Refunded Bonds. The Refunded Bonds shall be refunded through provision for their payment and redemption, as provided in this Article IV. The Authority hereby exercises its right under the First Supplemental Indenture to redeem the Refunded Bonds on February 1, 2018. The Authority hereby directs Regions Bank, Atlanta, Georgia to send a notice of redemption in connection with the redemption of the Refunded Bonds and to send a provision of payment notice in connection with the refunding of the Refunded Bonds.

Section 4.3. Lien on Escrow Funds. The owners of the Refunded Bonds shall have an express lien on all funds deposited with the Escrow Agent until paid out, used and applied in accordance with the terms of the Escrow Deposit Agreement.

Section 4.4. Termination of Rights. The Authority acknowledges and intends that by virtue of the deposit with the Escrow Agent as described in Section 4.1(i), the Refunded Bonds shall be deemed to have been paid and that consequently, the lien of the Refunded Bonds created by the Original Indenture and the First Supplemental Indenture on the Trust Estate, securing payment of such bonds, shall have ceased, terminated, and become void.

Section 4.5 2016 Construction Fund Account.

(a) There is hereby created and established with the Trustee as a part of the Construction Fund a trust account in the Construction Fund to be designated "Walton County Water and Sewerage Revenue Bonds (Oconee-Hard Labor Creek Reservoir Project), Series 2016 Construction Fund Account" (the "2016 Construction Fund Account"). Moneys in the 2016 Construction Fund Account shall be expended in accordance with the provisions of the Original Indenture, as hereby supplemented. Moneys received from the investment of moneys in the 2016 Construction Fund Account shall be deposited into the 2016 Construction Fund Account.

(b) The Trustee is hereby authorized and directed to make each disbursement from the 2016 Construction Fund Account in accordance with the provisions of the Original Indenture, as hereby supplemented. Moneys in the Construction Fund may also be invested as provided in the Original Indenture. The Trustee shall keep and maintain adequate records pertaining to the 2016 Construction Fund Account and all receipts and disbursements therefrom, including records of all requisitions. The Trustee shall be entitled to rely conclusively on the statements of fact and certifications contained in any requisition furnished to the Trustee.

(c) Upon an Event of Default and an acceleration of the Series 2016 Bonds, all moneys in the 2016 Construction Fund Account shall be transferred without any further authorization or direction to the 2016 Sinking Fund Account.

(d) Upon completion of the 2016 Reservoir Project and after payment of all expenses with respect thereto, all moneys remaining on deposit in the 2016 Construction Fund Account may, at the direction of the Authority, be applied as provided in Section 3.1(b) of the Original Indenture.

Section 4.6. 2016 Sinking Fund Account. There is hereby created and established with the Trustee a trust account in the Sinking Fund which is designated the "Walton County Water and Sewerage Authority 2016 Sinking Fund Account" (the "2016 Sinking Fund Account"). The Trustee is authorized to deposit into the 2016 Sinking Fund Account (and into any account therein) any moneys or securities transferred to it by, or at the direction of, the Authority which are accompanied by instructions that such moneys or securities are to be deposited into the 2016 Sinking Fund Account.

There are hereby created within the 2016 Sinking Fund Account three subaccounts to be designated as follows: the "2016 Interest Account," the "2016 Principal Account" and the "2016 Redemption Account." The Authority may establish from time to time additional accounts or sub-accounts in the 2016 Sinking Fund Account.

The Authority shall provide the Trustee, from the Trust Estate, moneys for deposit into the 2016 Sinking Fund Account sufficient to pay the principal of, redemption premium, if any, and interest on the Series 2016 Bonds as and when the same are due and payable, whether on any regularly scheduled payment date or upon any redemption or acceleration of the Series 2016 Bonds.

Moneys in the 2016 Sinking Fund Account shall constitute part of the Trust Estate created under the Indenture and may be used to pay amounts due on any series of Bonds or obligations issued under the Indenture on a parity basis with the Series 2016 Bonds unless the Authority shall set aside and designate any particular funds or moneys as being dedicated to the payment of the Series 2016 Bonds or some portion thereof as provided in Article 11 of the Original Indenture, in which case such Series 2016 Bonds shall be payable solely from such source.

Section 4.7. Nonpresentment of Series 2016 Bonds. In the event any Series 2016 Bond shall not be presented for payment when the principal thereof becomes due, either at maturity, or at the date fixed for redemption thereof, or otherwise, if moneys sufficient to pay any such Series 2016 Bond shall have been made available to the Trustee for the benefit of the owner thereof, all liability of the Authority to the owner thereof for the payment of such Series 2016 Bond shall forthwith cease, determine and be completely discharged, and thereupon it shall be the duty of the Trustee to hold such funds, without liability for interest thereon, for the benefit of the owner of such Series 2016 Bond who shall thereafter be restricted exclusively to such funds for any claim of whatever nature on his or her part under this Indenture with respect to such Series 2016 Bonds. Such funds need not be invested, but if invested, shall be invested only in Government Obligations with maturities of 30 days or less.

Any moneys so deposited with and held by the Trustee not so applied to the payment of Series 2016 Bonds within two years after the date on which the same shall have become due shall be repaid by the Trustee to the Authority, and thereafter owners of Series 2016 Bonds shall be entitled to look only to the Authority for payment, and then to the extent of the amount so repaid, and all liability of the Trustee with respect to such money shall thereupon cease, and the Authority shall not be liable for any interest thereon and shall not be regarded as a trustee of such money.

Section 4.8. Payments Pursuant to the Intergovernmental Contract. The County and the Authority have 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 as of April 1, 2008 (the “First Supplement to Contract”), a Second Supplement to Intergovernmental Contract-Reservoir Project, dated as of July 1, 2015 (the “Second Supplement to Contract”) and a Third Supplement to Intergovernmental Contract – Hard Labor Creek Reservoir Project, dated as of October 1, 2016 (the “Third Supplement to Contract” and, together with the Original Intergovernmental Contract, the First Supplement to Contract, and the Second Supplement to Contract, the “Intergovernmental Contract”), pursuant to which, in consideration of the Authority’s agreement to provide certain facilities and water services to the citizens of the County, the County has agreed to pay the Authority amounts sufficient to provide for the payment of the principal of, redemption premium, if any, and interest on the Prior Bonds and the Series 2016 Bonds when due. The County has also agreed in the Intergovernmental Contract to levy an ad valorem tax, if necessary, on all property in the County subject to taxation for such purposes as may be necessary for the County to make the payments to the Authority required pursuant to the Intergovernmental Contract. Such payments have been assigned to the Trustee as part of the Trust Estate.

Section 4.9. Costs of Issuance Fund. A special fund is hereby authorized to be created and established prior to the issuance and delivery of the Series 2016 Bonds, said fund to be designated the "Walton County Water and Sewerage Authority 2016 Costs of Issuance Fund" (the "Costs of Issuance Fund"). Said fund shall be held separate and apart from all other deposits or funds, and the Authority shall keep and maintain adequate records pertaining to the Costs of Issuance Fund and all disbursements therefrom. There shall be deposited with the Costs of Issuance Fund Depository, the amounts specified in Section 4.1(iii) above, and any other funds acquired for this purpose by gift, donation, grant or otherwise. Regions Bank is hereby designated as the Costs of Issuance Fund Depository for the Costs of Issuance Fund.

Section 4.10. Requisition Procedure. All payments from the Costs of Issuance Fund shall be made upon checks signed or bank wires authorized by authorized signatories of the Costs of Issuance Fund Depository, on behalf of the Authority, but before they shall sign any such checks or authorize any such bank wires there shall be filed with the Costs of Issuance Fund Depository: (a) a requisition for such payment (the above-mentioned checks and bank wires may be deemed a requisition for the purpose of this Section), stating each amount to be paid and the name of the person, firm or corporation to whom payment thereof is due; (b) a certificate attached to the requisition and certifying that an obligation in the stated amount has been incurred, and that the same is a proper charge against the Costs of Issuance Fund and has not been paid (or is a reimbursement to the Authority for previously paying such obligation), specifying the purpose and circumstances of such obligation in reasonable detail and to whom such obligation is owed, accompanied by the bill or statement of account for such obligation, or a copy thereof.

ARTICLE V

DEBT SERVICE RESERVE FUND

The Debt Service Reserve Fund (as defined in the Original Indenture) shall no longer be maintained and all references to the Debt Service Reserve Fund and the Reserve Requirement (as defined in the Original Indenture) in the Indenture are hereby stricken.

ARTICLE VI

MISCELLANEOUS

Section 6.1. Original Indenture, First Supplemental Indenture, Second Supplemental Indenture and Third Supplemental Indenture as One Document. As supplemented by the First Supplemental Indenture, the Second Supplemental Indenture and this Third Supplemental Indenture, the Original Indenture is in all respects ratified and confirmed, and the Original Indenture, the First Supplemental Indenture, the Second Supplemental Indenture and this Third Supplemental Indenture shall be read, taken and construed as one and the same instrument.

Section 6.2. References. All references herein or in the Original Indenture to any Article, Section or provision of the Original Indenture shall be deemed to refer to such Article, Section or provision as supplemented by the First Supplemental Indenture, the Second Supplemental Indenture or as hereby supplemented, unless in any case, the use or context otherwise requires.

Section 6.3. Counterparts. This Third Supplemental Indenture may be simultaneously executed in several counterparts, each of which shall be an original but all of which shall constitute but one and the same instrument.

Section 6.4. Captions. The captions or headings in this Third Supplemental Indenture are for convenience of reference only and in no way define, limit or describe the scope or intent of any provisions or sections of this Third Supplemental Indenture.

Section 6.5. Governing Law. The effect and meaning of this Third Supplemental Indenture and the rights of all parties hereunder shall be governed by and construed in accordance with the laws of the State of Georgia (without regard to the conflict of laws principles thereof).

Section 6.6. Effective Date and Term. This Third Supplemental Indenture shall become effective upon the execution and delivery hereof by the Authority and the Trustee, and shall continue in full force and effect until the Series 2016 Bonds are no longer outstanding pursuant to the Indenture.

IN WITNESS WHEREOF, the Authority and the Trustee have caused these presents to be executed in their respective names and behalf and sealed and attested by their duly authorized officers, and to evidence its acceptance of the trust hereby created, the Trustee has caused these presents to be executed, sealed and attested in its name and behalf by its duly authorized officers, all as of the date first above written.

WALTON COUNTY WATER AND
SEWERAGE AUTHORITY

(SEAL)

By: _____
Chairman

Attest:

Secretary

REGIONS BANK, as Trustee

(SEAL)

By: _____

Name:

Title:

Attest:

Name:

Title:

EXHIBIT "A"

[FORM OF SERIES 2016 BOND]

No. R- _____

\$ _____

UNITED STATES OF AMERICA
STATE OF GEORGIA

WALTON COUNTY WATER AND SEWERAGE AUTHORITY
REVENUE BONDS
(OCONEE-HARD LABOR CREEK RESERVOIR PROJECT)
SERIES 2016

INTEREST RATE:
_____ %

MATURITY DATE:
February 1, 20 _____

CUSIP:

FOR VALUE RECEIVED, WALTON COUNTY WATER AND SEWERAGE AUTHORITY (the "Authority"), a public body corporate and politic, created and existing pursuant to an Act of the General Assembly of Georgia (Ga. Laws 1972, p. 3623 et seq.), as amended from time to time (the "Act"), hereby promises to pay solely from the sources hereinafter described to

CEDE & CO.,

or registered assigns, the principal sum of

_____ DOLLARS

on the date specified above, upon presentation and surrender of this bond at the corporate trust office in Atlanta, Georgia of Regions Bank, Atlanta, Georgia, as trustee, registrar and paying agent (the "Trustee"), and to pay interest on said principal sum (computed on the basis of a 360-day year of twelve 30-day months) at the interest rate per annum specified above, payable semiannually on the first days of February and August of each year (each such date an "Interest Payment Date"), commencing February 1, 2017, from the Interest Payment Date next preceding the date of authentication of this bond to which interest has been paid or provided for, unless the date of authentication of this bond is an Interest Payment Date to which interest has been paid or provided for, in which case from the date hereof or unless no interest has been paid hereon in which case from October 18, 2016 or unless such authentication date shall be after any Record Date (hereinafter defined) and before the next succeeding Interest Payment Date in which case interest shall be paid from the next succeeding Interest Payment Date.

The interest payable on any Interest Payment Date will be paid by first class mail postage prepaid, mailed on the date on which due to the person in whose name this bond is registered at the close of business on the fifteenth day of the calendar month next preceding such Interest Payment Date (each such date, a "Record Date") at the address shown on the bond register

maintained by the Trustee on such Record Date except that any interest not so timely paid or duly provided for shall cease to be payable to the person who is the registered owner of this bond as of the Record Date, and shall be payable to the person who is the registered owner of this bond at the close of business on a special record date for the payment of such defaulted interest. Such special record date shall be fixed by the Trustee whenever moneys become available for the payment of such defaulted interest, and notice of the special record date shall be given by first class mail by the Trustee or by or on behalf of the Authority to the owner hereof not less than 15 days prior thereto. Any owner of bonds of this series in an aggregate principal amount of at least \$1,000,000 who shall, on or before any Record Date, supply the Trustee with written wire transfer instructions, the interest on such Interest Payment Date and on subsequent Interest Payment Dates shall be paid by wire transfer in accordance with such instructions or to such securities depository, as the case may be, until the Trustee receives written notice to the contrary. Principal and interest are payable in any coin or currency of the United States of America which at the time of such payment is legal tender for public and private debts.

Notwithstanding the foregoing, as long as this bond is held in book-entry form and registered in the name of a securities depository or its nominee, principal and interest shall be paid by wire transfer to the securities depository or its nominee and subsequently disbursed by such depository or its nominee to beneficial owners as more fully described below.

This bond is one of a duly authorized series of revenue bonds in the aggregate principal amount of \$9,465,000, all of like tenor, except as to authentication dates, numbers, denominations, interest rates and maturities (the "Series 2016 Bonds"), issued pursuant to the Act and a resolution of the Authority duly adopted on September 13, 2016 (the "Resolution") for the purpose of providing funds to (i) refund all of the Authority's outstanding Revenue Bonds (Oconee-Hard Labor Creek Reservoir Project), Series 2008 Bonds (the "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 and (iii) pay the costs of issuing the Series 2016 Bonds. The Series 2008 Bonds were issued 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.

The Authority and Oconee County, Georgia (the "County") entered into an Intergovernmental Contract – Hard Labor Creek Reservoir Project, dated as of October 1, 2007, as supplemented by a First Supplement to Intergovernmental Contract-Reservoir Project, dated as of April 1, 2008, a Second Supplement to Intergovernmental Contract-Reservoir Project, dated as of July 1, 2015, and a Third Supplement to Intergovernmental Contract-Reservoir Project, dated as of October 1, 2016 (collectively, the "Intergovernmental Contract"), pursuant to which in consideration of the Authority's agreement to provide certain facilities and water services to the citizens of the County, the County has agreed to pay the Authority amounts sufficient to provide for the payment of the principal of, premium, if any, and interest on the Series 2016 Bonds when due, and has also agreed, to levy an ad valorem tax, if necessary, on all property in the County subject to taxation for such purposes as may be necessary for the County to make the payments to the Authority required pursuant to the Intergovernmental Contract.

As security for the payment of the Series 2016 Bonds, the Authority has assigned to Regions Bank, Atlanta, Georgia, as trustee (the "Trustee"), under the 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, a Second Supplemental Trust Indenture, dated as of July 1, 2015, and a Third Supplemental Trust Indenture, dated as of October 1, 2016 (collectively, the "Indenture"), the "Trust Estate," which includes all right, title and interest of the Authority in (i) the Intergovernmental Contract (including the payments to be made by the County) and (ii) all amounts on deposit from time to time in the funds and accounts established under the Indenture. The Series 2016 Bonds are not secured by a mortgage or lien on the Reservoir Project.

THIS BOND DOES NOT CONSTITUTE AN INDEBTEDNESS OR OBLIGATION OF THE STATE OF GEORGIA OR ANY POLITICAL SUBDIVISION THEREOF, INCLUDING OCONEE COUNTY, GEORGIA OR WALTON COUNTY, GEORGIA. THIS BOND IS PAYABLE BY THE AUTHORITY, SOLELY FROM THE TRUST ESTATE PLEDGED TO THE PAYMENT THEREOF UNDER THE INDENTURE. NO OWNER OF THIS BOND SHALL EVER HAVE THE RIGHT TO COMPEL THE EXERCISE OF THE TAXING POWER OF THE STATE OF GEORGIA OR ANY POLITICAL SUBDIVISION THEREOF, INCLUDING OCONEE COUNTY, GEORGIA OR WALTON COUNTY, GEORGIA, TO PAY THIS BOND OR THE INTEREST HEREON OR ANY OTHER COST RELATING HERETO OR TO ENFORCE PAYMENT HEREOF AGAINST ANY PROPERTY OF THE STATE OF GEORGIA OR ANY POLITICAL SUBDIVISION THEREOF. NO RECOURSE SHALL BE HAD FOR THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THIS BOND AGAINST ANY OFFICER, DIRECTOR OR MEMBER OF THE AUTHORITY.

Reference is hereby made to the Indenture for a description of the moneys pledged and assigned to the payment of the Series 2016 Bonds, the provisions, among others, with respect to the nature and extent of the security for the Series 2016 Bonds, the rights, duties and obligations of the Authority, the Trustee and the owners of the Series 2016 Bonds, and the terms under which the Indenture may be supplemented or amended.

The bonds are being issued by means of a book-entry system, with actual bonds immobilized at The Depository Trust Company, New York, New York, or its successor as securities depository, evidencing ownership of the bonds in principal amounts of \$5,000 or integral multiples thereof, and with transfers of beneficial ownership effected on the records of the securities depository and its participants pursuant to the rules and procedures established by the securities depository. Actual bonds are not available for distribution to the beneficial owners, except under the limited circumstances set forth in the Indenture. The principal, redemption premium (if any) and interest on the bonds are payable by the Trustee to Cede & Co., as nominee of the securities depository. Transfer of principal, redemption premium (if any) and interest payments to participants of the securities depository is the responsibility of the securities depository; transfers of principal, redemption premium (if any) and interest to beneficial owners by Participants of the securities depository will be the responsibility of such participants and other nominees of beneficial owners. The delivery of notices and voting procedures will be carried pursuant to the rules and procedures established by the securities depository. The Authority and the Trustee are not responsible or liable for maintaining, supervising or reviewing

the records maintained by the securities depository, its participants or persons acting through such participants.

While not in book-entry form, this bond may be registered as transferred only upon the registration books kept for that purpose at the principal corporate trust office of the Trustee by the registered owner hereof in person, or by his or her attorney duly authorized in writing, upon presentation and surrender to the Trustee of this bond duly endorsed for registration of transfer or accompanied by an assignment duly executed by the registered owner or his or her attorney duly authorized in writing, and thereupon a new registered bond, of the same series, in the same aggregate principal amount and of the same maturity shall be issued to the transferee in exchange therefor.

While not in book-entry form, this bond may be exchanged by the registered owner hereof or his or her duly authorized attorney upon presentation at the principal corporate trust office of the Trustee in Atlanta, Georgia for an equal aggregate principal amount of Series 2016 Bonds of the same maturity, interest rate and series and in any authorized denominations in the manner, subject to the conditions and upon payment of charges, if any, provided in the Indenture.

The Series 2016 Bonds are issuable in the form of fully registered bonds in the denomination of \$5,000 or any integral multiple thereof. The person in whose name this bond is registered on the registration books kept by the Trustee shall be deemed to be the owner of this bond for all purposes.

The Series 2016 Bonds maturing on February 1, 2036, are subject to mandatory sinking fund redemption on February 1, 2028 and on each February 1 thereafter, in accordance with the table below, at a redemption price equal to the principal amount of each Series 2016 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, 2036 amount to be paid rather than redeemed):

<u>February 1 of the Year</u>	<u>Principal Amount to be redeemed</u>
2028	\$25,000
2029	25,000
2030	25,000
2031	25,000
2032	30,000
2033	30,000
2034	30,000
2035	30,000
2036	1,250,000

The Series 2016 Bonds maturing on February 1, 2038, are subject to mandatory sinking fund redemption on February 1, 2037 and on each February 1 thereafter, in accordance with the table below, at a redemption price equal to the principal amount of each Series 2016 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, 2038 amount to be paid rather than redeemed):

<u>February 1 of the Year</u>	<u>Principal Amount to be redeemed</u>
2037	\$1,295,000
2038	1,345,000

In the event any of the Series 2016 Bonds are called for redemption as aforesaid, notice thereof identifying the Series 2016 Bonds (or portions thereof) to be redeemed and specifying the terms of such redemption will be given by mailing a copy of the redemption notice by first class mail not less than 30 days nor more than 60 days prior to the date fixed for redemption to the registered owner of each Series 2016 Bond to be redeemed at the address shown on the books of the Registrar maintained pursuant to Section 2.4 of the Original Indenture; provided, however, that failure to give such notice by mailing, or any defect therein, shall not affect the validity of proceedings for the redemption of any Series 2016 Bond or portion thereof with respect to which no such failure has occurred. All Series 2016 Bonds so called for redemption will cease to bear interest after the specified redemption date, provided funds for their redemption are on deposit at that time.

If at the time of mailing of notice of redemption there shall not have been deposited with the Paying Agent moneys sufficient to redeem all the Series 2016 Bonds called for redemption, which moneys are or will be available for redemption of Series 2016 Bonds, such notice shall state that it is conditional upon the deposit of the redemption moneys with the Paying Agent not later than the opening of business on the redemption date, and such notice shall be of no effect unless such moneys are so deposited.

If the Series 2016 Bonds are called for redemption in part, the Series 2016 Bonds within each maturity so called for redemption shall be selected by lot or in such manner as may be designated by the Securities Depository, when in book-entry form and by the Bond Registrar, when not in book-entry form.

This bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Indenture until this bond shall have been authenticated and registered upon the registration books kept by the Trustee for that purpose, which authentication shall be evidenced by the manual execution of the bond hereon by the Trustee.

It is hereby recited and certified that all acts, conditions and things required by the Constitution and laws of the State of Georgia to happen, exist and be performed precedent to and in the issuance of this bond, the execution of the Indenture and Intergovernmental Contract, and the adoption of the Resolution by the Authority have happened, do exist and have been performed as so required. This bond is issued with the intent that the laws of the State of Georgia shall govern its enforcement and construction.

IN WITNESS WHEREOF, the Walton County Water and Sewerage Authority has caused this bond to be executed by the manual or facsimile signature of its Chairman and its official seal to be impressed or printed hereon and attested by the manual or facsimile signature of its Secretary.

WALTON COUNTY WATER AND
SEWERAGE AUTHORITY

(SEAL)

By: _____
Chairman

Attest:

Secretary

CERTIFICATE OF AUTHENTICATION

Date of Authentication: October 18, 2016

This bond is one of the Series 2016 Bonds described in the within mentioned Indenture.

REGIONS BANK,
as Trustee

By: _____
Authorized Signatory

VALIDATION CERTIFICATE

STATE OF GEORGIA

COUNTY OF WALTON

The undersigned Clerk of the Superior Court of Walton County, State of Georgia, DOES HEREBY CERTIFY that this bond was validated and confirmed by judgment of the Superior Court of Walton County, Georgia, on the ___ day of October, 2016.

Witness my manual or facsimile signature and seal of the Superior Court of Walton County, Georgia.

Clerk, Superior Court, Walton County, Georgia

(SEAL)

(FORM OF TRANSFER)

FOR VALUE RECEIVED, _____ the undersigned, hereby sells, assigns and transfers unto _____ (Tax Identification or Social Security No. _____) the within Series Bond and all rights thereunder, and hereby irrevocably constitutes and appoints _____ attorney to transfer the within Series 2016 Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

Signature Guarantee:

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

NOTICE: The signature to this assignment must correspond with the name as it appears upon the face of the within Series 2016 Bond in every particular, without alteration or enlargement or any change whatever.

DTC FAST RIDER

Each such bond shall remain in the Trustee's custody subject to the provisions of the FAST Balance Certificate Agreement currently in effect between the Trustee and DTC – FAST Agreement.

EXHIBIT B

THIRD SUPPLEMENT TO INTERGOVERNMENTAL CONTRACT - RESERVOIR
PROJECT

THIRD SUPPLEMENT TO INTERGOVERNMENTAL CONTRACT –
RESERVOIR PROJECT

This THIRD SUPPLEMENT TO INTERGOVERNMENTAL CONTRACT - RESERVOIR PROJECT (this “Third Supplement to Contract”) is entered into as of the 1st day of October, 2016, 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, the Series 2008 Bonds are currently outstanding in the aggregate principal amount of \$10,440,000; 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”), and as supplemented by a Second Supplement to Intergovernmental Contract-Reservoir Project, dated July 1, 2015 (the “Second 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 2008 Bonds and the Series 2015 Bonds, and which amounts will be pledged to secure the payment of the Series 2008 Bonds and the Series 2015 Bonds; and

WHEREAS, pursuant to a resolution of the Authority adopted on September 13, 2016, the Authority, in order to achieve interest cost savings, issued its 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 all of the outstanding Series 2008 Bonds (the "Refunded Bonds"), in order to achieve interest cost savings, (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 the costs of issuing 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, the Second Supplemental Indenture, and a Third Supplemental Trust Indenture, dated as of October 1, 2016, between the Authority and the Trustee (the "Third Supplemental Indenture" and, together with the Original Indenture, the First Supplemental Indenture, and the Second Supplemental Indenture, the "Indenture"); and

WHEREAS, the County and the Authority propose to enter into this Third Supplement to Contract to identify the Series 2016 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, and this Third Supplement to Contract, the "Intergovernmental Contract");

NOW THEREFORE, in consideration of the premises and the undertakings set forth in this Third 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 Third Supplement to Contract shall become effective upon the date of issuance of the Series 2016 Bonds and shall continue in effect until the date when the principal of and the interest on all of the Series 2016 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 and this Third Supplement to Contract, extend for more than 50 years past the effective date of the Original Intergovernmental Contract.

3.

The Series 2016 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 2016 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 15th 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, 1/6th of the interest due for such year and 1/12th 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 2016 Bonds on the applicable optional payment date.

6.

Amounts required to be paid by the County under this Third 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 6 hereof, must prepay sufficient amounts to the Authority to enable the Authority to effect such redemption.

8.

The 2016 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 Third 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 Third 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 and the Second 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 Third 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 2016 BONDS

[SEE ATTACHED]

Optional Redemption

The Series 2016 Bonds maturing on or after February 1, 2027 may be redeemed prior to their respective maturities at the option of the Authority, either in whole or in part, in any order of maturities, on any date not earlier than February 1, 2026 at a redemption price of 100% of the principal amount to be redeemed, plus accrued interest to the redemption date.

Mandatory Redemption

The Series 2016 Bonds maturing on February 1, 2036, are subject to mandatory sinking fund redemption on February 1, 2028 and on each February 1 thereafter, in accordance with the table below, at a redemption price equal to the principal amount of each Series 2016 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, 2036 amount to be paid rather than redeemed):

<u>February 1 of the Year</u>	<u>Principal Amount to be redeemed</u>
2028	\$25,000
2029	25,000
2030	25,000
2031	25,000
2032	30,000
2033	30,000
2034	30,000
2035	30,000
2036	1,250,000

The Series 2016 Bonds maturing on February 1, 2038, are subject to mandatory sinking fund redemption on February 1, 2037 and on each February 1 thereafter, in accordance with the table below, at a redemption price equal to the principal amount of each Series 2016 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, 2038 amount to be paid rather than redeemed):

<u>February 1 of the Year</u>	<u>Principal Amount to be redeemed</u>
2037	\$1,295,000
2038	1,345,000

Bond Pricing
Walton County Water and Sewerage Authority
Refunding Revenue Bonds (Oconee-Hard Labor Creek Reservoir Project), Series 2016

Bond Component	Maturity Date	Amount	Rate	Yield	Price	Yield to Maturity
Serial Bonds:						
	2/1/2017	100,000	2.000%	0.750%	100.355	
	2/1/2018	465,000	2.000%	0.830%	101.493	
	2/1/2019	475,000	3.000%	0.930%	104.670	
	2/1/2020	490,000	4.000%	1.020%	109.605	
	2/1/2021	515,000	4.000%	1.120%	112.018	
	2/1/2022	530,000	5.000%	1.250%	119.122	
	2/1/2023	560,000	5.000%	1.400%	121.588	
	2/1/2024	585,000	5.000%	1.550%	123.680	
	2/1/2025	615,000	5.000%	1.660%	125.754	
	2/1/2026	645,000	5.000%	1.770%	127.544	
	2/1/2027	375,000	5.000%	1.860%	126.662 C	2.104%
		5,355,000				
2036 Term Bond:						
	2/1/2036	1,470,000	4.000%	2.730%	110.351 C	3.272%
2038 Term Bond:						
	2/1/2038	2,640,000	4.000%	2.770%	110.007 C	3.339%
		9,465,000				

Dated Date	10/18/2016	
Delivery Date	10/18/2016	
First Coupon	2/1/2017	
Par Amount	9,465,000.00	
Premium	1,351,577.45	
Production	10,816,577.45	114.279741%
Underwriter's Discount	-70,987.50	-0.750000%
Purchase Price	10,745,589.95	113.529741%
Accrued Interest		
Net Proceeds	10,745,589.95	

EXHIBIT C

ESCROW DEPOSIT AGREEMENT

ESCROW DEPOSIT AGREEMENT

THIS ESCROW DEPOSIT AGREEMENT (this "Agreement") made as of this 18th day of October, 2016, between the Walton County Water and Sewerage Authority, a public corporation of the State of Georgia (the "Authority"), and Regions Bank, Atlanta, Georgia, as escrow agent (in such capacity, the "Escrow Agent"), and as Trustee for the hereinafter described Series 2008 Bonds (in such capacity, the "Series 2008 Trustee"),

WITNESSETH:

WHEREAS, under a Trust Indenture, as supplemented by a First Supplemental Trust Indenture, each dated April 1, 2008, between the Authority and the Series 2008 Trustee (collectively, the "Indenture"), the Authority has heretofore issued \$19,535,000 in aggregate principal amount of Walton County Water and Sewerage Authority Revenue Bonds, Series 2008, dated as of April 2, 2008 (the "Series 2008 Bonds"); and

WHEREAS, the Series 2008 Bonds are currently outstanding in the aggregate principal amount of \$10,440,000; and

WHEREAS, pursuant to the Bond Resolution adopted by the Authority on September 13, 2016, the Authority has authorized the advance refunding of all of the outstanding Series 2008 Bonds (the "Refunded Bonds") and has provided for the payment of the principal of and interest on the Refunded Bonds as they come due through their date of earliest redemption, February 1, 2018; and

WHEREAS, the Refunded Bonds are no longer outstanding, provision for the payment thereof having been made from the proceeds of the \$9,465,000 in aggregate principal amount of Walton County Water and Sewerage Authority Revenue Bonds (Oconee-Hard Labor Creek Reservoir Project), Series 2016 (the "Series 2016 Bonds"); and

WHEREAS, the Refunded Bonds bear interest at the rates per annum and mature on February 1 of each of the years as more fully set forth in Exhibit A attached hereto and by this reference made a part hereof; and

WHEREAS, in anticipation of the beneficial result of providing at this time for the refunding of the Refunded Bonds, the Authority has deposited into the Escrow Deposit Fund created hereunder sufficient monies which will allow the Escrow Agent to purchase general and direct obligations of the United States of America the principal of and interest on which obligations, when due, together with an initial cash balance, will provide sufficient monies to pay, when due, the amount necessary to pay the principal of and interest on the Refunded Bonds as more particularly hereinafter set forth;

NOW, THEREFORE, in consideration of the foregoing and of the mutual covenants hereinafter set forth, the parties hereto agree as follows:

1. The Refunded Bonds shall be refunded through payment as provided in this Agreement. There is hereby created by the Authority and ordered established with the Escrow Agent a special separate and irrevocable trust fund to be designated "Walton County Water and Sewerage Authority Escrow Deposit Fund, Series 2008" (the "Escrow Deposit Fund"). The Authority hereby delivers to the Escrow Agent and directs the Escrow Agent to deposit into the Escrow Deposit Fund \$_____ of the proceeds of the Series 2016 Bonds and other available funds of the Authority (in the amount of \$_____), and to apply \$_____ of such moneys to the immediate purchase of the general and direct non-callable obligations of the United States of America which are described in Exhibit B attached hereto and by this reference incorporated herein (said general and direct non-callable obligations being herein called the "Acquired Obligations") and to hold \$_____ as a cash deposit (the "Cash").

2. The Escrow Agent acknowledges receipt of:

(a) a certified copy of the Bond Resolution;

(b) the moneys described in Section 1 and represents that it has deposited said moneys in the Escrow Deposit Fund;

(c) the evidence submitted to it of ownership by it, as Escrow Agent, of the Acquired Obligations;

(d) the Cash; and

(e) a copy of the Verification Report of Causey Demgen & Moore, Inc., dated _____, 2016 (the "Verification Report"), a copy of which is attached hereto as Exhibit C, and by this reference is incorporated herein.

3. The Authority represents and warrants that, based on the Verification Report, the principal of and interest on the Acquired Obligations as and when due and payable and received in due course and deposited into the Escrow Deposit Fund, plus the Cash, will provide lawful money of the United States of America sufficient: (i) to pay principal and interest on the Refunded Bonds through February 1, 2018, and (ii) to redeem the Refunded Bonds maturing on and after February 1, 2019, on February 1, 2018, at a redemption price equal to 100% of the principal amount thereof plus accrued interest to the redemption date (the "Defeasance Requirements," as set forth in Exhibit D attached hereto).

4. The Escrow Agent acknowledges the establishment with it of the Escrow Deposit Fund, acknowledges that the Acquired Obligations and the Cash have been deposited in said Escrow Deposit Fund, and agrees that any interest earned on the Acquired Obligations shall be held for the credit of the Escrow Deposit Fund.

5. The deposit of the Acquired Obligations and Cash in the Escrow Deposit Fund constitutes an irrevocable deposit thereof in trust solely for the purpose of making the payments described in Paragraph 3 hereof.

6. The Escrow Agent agrees to apply the proceeds of the Acquired Obligations and the Cash deposited in the Escrow Deposit Fund, and the interest earned on said Acquired Obligations and the Cash, in accordance with the provisions hereof.

7. The Authority hereby irrevocably authorizes and directs the Escrow Agent to transfer to the Series 2008 Trustee (or its successors or assigns in such capacity) on or prior to the payment dates specified in Exhibit A the amounts specified for the Refunded Bonds together with instructions that such amounts be applied to the payment of the principal of and interest on the Refunded Bonds.

The Series 2008 Trustee agrees that it will continue to comply with the applicable and necessary provisions of the Indenture which pertain to the payment, registration, transfer and exchange of the Refunded Bonds. Such provisions and the applicable and necessary provisions of the Indenture pertaining to the replacement of lost, destroyed or mutilated bonds are specifically incorporated herein by this reference thereto and the Series 2008 Trustee shall continue to abide by such provisions until the payment of the Refunded Bonds.

As soon as possible following the execution and delivery of this Agreement, the Series 2008 Trustee shall mail by first-class mail, postage prepaid, to all registered owners of the Refunded Bonds and shall file with the Municipal Securities Rulemaking Board (the "MSRB") in an electronic format through the Electronic Municipal Market Access system of the MSRB, a provision for payment notice substantially to the following effect:

* * *

PROVISION FOR PAYMENT NOTICE

WALTON COUNTY WATER AND SEWERAGE AUTHORITY
REVENUE BONDS (OCONEE – HARD LABOR CREEK RESERVOIR PROJECT),
SERIES 2008
DATED APRIL 2, 2008
("Series 2008 Bonds")

NOTICE IS HEREBY GIVEN that provision for the payment has been made for the Series 2008 Bonds, maturing on February 1 in the years 2017 through 2023, and the outstanding portion of the Series 2008 Bonds which were issued as term bond maturing on February 1 in the years 2028 and 2038 (the "Refunded Bonds"), and that the Refunded Bonds will be optionally redeemed on February 1, 2018 (the "Redemption Date").

Please see the table below for the breakdown of the Refunded Bonds for each maturity.

Year	Principal Amount	Interest Rate	CUSIP
2017	\$505,000	4.000%	93342PBQ8
2018	525,000	4.000	93342PBR6
2019	545,000	4.125	93342PBS4
2020	570,000	4.250	93342PBT2
2021	595,000	4.375	93342PBU9
2022	620,000	4.250	93342PBV7
2023	645,000	4.500	93342PBW5
2028	2,610,000	5.000	93342PCX2
2038	3,825,000	5.000	93342PCY0

Regions Bank, Atlanta, Georgia, as Escrow Agent, has received and has on irrevocable deposit under an Escrow Deposit Agreement, dated October __, 2016, by and among the Authority and Regions Bank, Atlanta, Georgia, as Escrow Agent and as Trustee for the Refunded Bonds, cash and general and direct obligations of the United States of America the principal of and interest on which obligations, when due, will provide moneys sufficient to pay the principal and interest on the Refunded Bonds, as the same become due and payable, through February 1, 2018 and to redeem the Refunded Bonds, maturing on and after February 1, 2019, on February 1, 2018 at a redemption price equal to 100% of the principal amount thereof plus accrued interest. The Escrow Agent shall collect the principal of and interest on such obligations and shall transfer the same, together with any cash balance, to Regions Bank, as Trustee for the Refunded Bonds for application to the payment of the principal of and interest on the Refunded Bonds.

All of the Refunded Bonds are now deemed to have been paid, and the holders and owners of the Refunded Bonds shall hereafter be limited to the application of such cash moneys and general and direct obligations of the United States of America for payment of the principal of and interest on the Refunded Bonds.

This notice is for information purposes only and does not require any action at this time. Holders will be notified prior to the redemption date.

REGIONS BANK, as
Escrow Agent

By: _____
Authorized Signatory

Dated October ____, 2016

* * *

The Series 2008 Trustee represents and warrants that all principal and interest which became due and payable on the Refunded Bonds prior to the execution and delivery of this Agreement have been paid by the Series 2008 Trustee or the Series 2008 Trustee is holding money sufficient to make such payments.

The Escrow Agent acknowledges and accepts the foregoing direction and authorization. The liability of the Escrow Agent for the payment of the principal of and interest on the Refunded Bonds pursuant to this Agreement shall be limited to the application of the proceeds of the Acquired Obligations available for such purposes in the Escrow Deposit Fund.

8. The Escrow Agent shall maintain full and complete records of all assets and funds held by the Escrow Agent from time to time under this Agreement, and of all receipts and disbursements hereunder, and shall furnish the Authority reports thereof upon written request, subject to such reasonable regulations or restrictions as the Escrow Agent may from time to time impose.

9. Immediately after February 1, 2018, any monies and securities remaining in the Escrow Deposit Fund, if any, after payment of all amounts payable therefrom as described in Paragraph 3 of this Agreement or retention by the Escrow Agent of amounts sufficient to make such payments not theretofore made, shall be paid over to the Authority and this Agreement and the rights hereby granted shall thereupon cease, determine and be void, but such termination of this Agreement shall not affect the obligation of the Series 2008 Trustee with respect to payments of the amounts payable to the holders of the Refunded Bonds, whether or not such Refunded Bonds and coupons appertaining thereto may have been presented for payment on the date of termination of this Agreement.

10. The creation and establishment of the Escrow Deposit Fund for the purposes herein specified shall be irrevocable. The holders and owners of the Refunded Bonds shall have an express lien on the aforesaid Acquired Obligations and all cash monies in said fund from time to time until paid out, used and applied in accordance with this Agreement.

11. At least 30 days before February 1, 2018 (but no more than 60 days before such date), the Series 2008 Trustee hereby agrees to mail by first-class mail, postage prepaid, the Notice of Redemption substantially in the form attached hereto as Schedule 1 to all owners of the Refunded Bonds, maturing on and after February 1, 2019, whose addresses shall appear in the registration book maintained by the Bond Registrar. Expenses for mailing and notification of depositors for any notice required by this Agreement shall be borne by the Authority.

12. To the extent authorized by law, the Authority hereby assumes liability for, and hereby agrees (whether or not any of the transactions contemplated hereby are consummated) to indemnify, protect, save and keep harmless the Escrow Agent and its respective successors, assigns, agents and servants, from and against any and all liabilities, obligations, losses, damages, penalties, claims, actions, suits, costs, expenses and disbursements (including legal fees and disbursements) of whatsoever kind and nature which may be imposed on, incurred by, or asserted against any of them at any time (whether or not also indemnified against the same by any other person under any other agreement or instrument) and in any way

relating to or arising out of the execution and delivery of this Agreement, the establishment of the Escrow Deposit Fund, the acceptance of the money deposited therein, the purchase of the Acquired Obligations, the retention of the Acquired Obligations or the proceeds thereof and any payment, transfer or other application of funds or Acquired Obligations by the Escrow Agent in accordance with the provisions of this Agreement; provided, however, that the Authority expressly does not indemnify the Escrow Agent against its own gross negligence or willful misconduct. Except as to the holders of the Refunded Bonds, in no event shall the Authority or the Escrow Agent be liable to any person by reason of the transactions contemplated hereby other than to each other as set forth in this Section. The indemnities contained in this Section shall survive the termination of this Agreement or the sooner resignation of the Escrow Agent.

13. The Escrow Agent acknowledges that it will, by virtue of its services hereunder, have no lien or right of set-off on the Acquired Obligations or any other moneys in the Escrow Deposit Fund for payment of its fees and expenses for acting as Escrow Agent hereunder, for acting as trustee with respect to the Refunded Bonds, or for mailing the notice as specified in paragraph 7 above. The Escrow Agent agrees that it will bill the Authority for its services and expenses at its standard rates at the commencement of this Agreement and shall have no rights against the Escrow Deposit Fund therefor.

14. This Agreement is made for the benefit of the Authority, the holders from time to time of the Refunded Bonds and Assured Guaranty Municipal Corp. (as successor to Financial Security Assurance Inc.) (the "Insurer"), and it shall not be repealed, revoked, altered or amended without the written consent of all such holders and the Insurer and the written consent of the Authority and the Escrow Agent; provided, that the Authority and the Escrow Agent may, without the consent of, or notice to, such holders or the Insurer, enter into such agreements supplemental to this Agreement as shall not adversely affect the rights of such holders and as shall not be inconsistent with the terms and provisions of this Agreement, in order to (a) cure any ambiguity or formal defect or omission in this Agreement; (b) grant to, or confer upon, the Escrow Agent for the benefit of such holders any additional rights, remedies, powers or authority that may lawfully be granted to, or conferred upon, such holders or the Escrow Agent; (c) subject to this Agreement additional funds, securities or properties; or (d) make such changes as may be required, in the opinion of counsel of recognized experience with respect to federal income tax aspects of municipal securities, to preserve the exemption from federal income taxation of interest on the Refunded Bonds or any other obligations of the Authority hereafter issued; provided, such change does not adversely affect the amounts of funds which would otherwise be available hereunder for payment of principal and interest requirements of the Refunded Bonds when due. With respect to any amendment to this Agreement, the Escrow Agent may request and conclusively rely upon an opinion of counsel to the effect that such amendment is authorized or permitted by this Agreement.

15. If any one or more of the covenants or agreements provided in this Agreement on the part of the Authority or the Escrow Agent to be performed should be determined by a court of competent jurisdiction to be contrary to law, such covenant or agreement shall be deemed and construed to be severable from the remaining covenants and agreements herein contained and shall in no way affect the validity of the remaining provisions hereof, and the remaining portions of this Agreement shall in any event be construed to

accomplish the purpose of this Agreement of providing for the payment in full of the principal of and interest on the Refunded Bonds as provided herein.

16. This Agreement may be executed in several counterparts, all of which shall be regarded for all purposes as one original and shall constitute and be but one and the same instrument.

17. It is expressly understood and agreed that the Escrow Agent's duties and obligations in connection with this Agreement are confined to those expressly defined herein and no additional covenants or obligations shall be read into this Agreement against the Escrow Agent. The Escrow Agent may consult with counsel with respect to any question relating to its duties or responsibilities hereunder or otherwise in connection herewith and shall not be liable for any action taken, suffered or omitted by the Escrow Agent in good faith upon the advice of such counsel. Any payment obligation of the Escrow Agent hereunder shall be paid from, and is limited to funds available, established and maintained hereunder and the Escrow Agent shall not be required to expend its own funds for the performance of its duties under this Agreement. The Escrow Agent shall not be liable for any action taken or neglected to be taken in performing or attempting to perform its obligations hereunder other than for its gross negligence or willful misconduct. Notwithstanding any provision herein to the contrary, in no event shall the Escrow Agent be liable for special, indirect or consequential loss or damage of any kind whatsoever (including but not limited to lost profits), even if the Escrow Agent has been advised of the likelihood of such loss or damage and regardless of the form of action. The Escrow Agent shall not be responsible or liable for any failure or delay in the performance of its obligations under this Agreement arising out of or caused, directly or indirectly, by circumstances beyond its reasonable control, including, without limitation, acts of God; earthquakes; fire; flood; hurricanes or other storms; wars; terrorism; similar military disturbances; sabotage; epidemic; pandemic; riots; interruptions; loss or malfunctions of utilities, computer (hardware or software) or communications services; accidents; labor disputes; acts of civil or military authority or governmental action; it being understood that the Escrow Agent shall use commercially reasonable efforts which are consistent with accepted practices in the banking industry to resume performance as soon as reasonably practicable under the circumstances.

18. The Escrow Agent may resign at any time upon thirty (30) days' notice to the Authority; provided however, no resignation shall be effective until a successor escrow agent has been appointed by the Authority. If no successor escrow agent has been appointed and accepted its duties within forty-five (45) days of the Escrow Agent's giving notice of resignation, then the resigning Escrow Agent may petition any court of competent jurisdiction for the appointment of a successor Escrow Agent until a successor shall have been appointed as above provided. The Authority may, from time to time, designate a successor Escrow Agent; provided said Escrow Agent complies with all of the provisions of this Agreement.

19. The provisions of this Agreement shall be governed by the laws of the State of Georgia without regard to conflict of law principles.

IN WITNESS WHEREOF, the parties hereto have each caused this Agreement to be executed by their duly authorized officer or officers and their corporate seals to be hereunto affixed and attested as of the date first above written.

WALTON COUNTY WATER AND
SEWERAGE AUTHORITY

By: _____
Chairman

(SEAL)

Attest:

Secretary

(signature of Escrow Agent and Series 2008 Trustee on next pages)

REGIONS BANK, Atlanta, Georgia, Escrow Agent

By: _____

Title: _____

REGIONS BANK, Atlanta, Georgia, as Trustee for
the Series 2008 Bonds

By: _____

Title: _____

EXHIBIT A

REFUNDED BONDS
DEBT SERVICE REQUIREMENTS

See Exhibit ____ to Verification Report (Exhibit C attached hereto).

EXHIBIT B
TO
ESCROW DEPOSIT AGREEMENT

ACQUIRED OBLIGATIONS

See Exhibits ____ to Verification Report (Exhibit C attached hereto).

EXHIBIT C
TO
ESCROW DEPOSIT AGREEMENT
VERIFICATION REPORT

EXHIBIT D
TO
ESCROW DEPOSIT AGREEMENT
DEFEASANCE REQUIREMENTS

See Exhibit ____ to Verification Report (Exhibit C attached hereto).

SCHEDULE 1
TO
ESCROW DEPOSIT AGREEMENT

NOTICE OF REDEMPTION

WALTON COUNTY WATER AND SEWERAGE AUTHORITY
REVENUE BONDS (OCONEE-HARD LABOR CREEK RESERVOIR PROJECT),
SERIES 2008
DATED APRIL 2, 2008

NOTICE IS HEREBY GIVEN to the holders of the above described Revenue Bonds (the "Refunded Bonds") that the Refunded Bonds have been called for redemption prior to maturity. The Refunded Bonds will be called for redemption on February 1, 2018 (the "Redemption Date"). Redemption will be made by payment of the principal amount of each such Refunded Bond, together with interest accrued to the Redemption Date at a redemption price of 100%. From and after February 1, 2018, interest on the Refunded Bonds shall cease to accrue on any lien or interest in or to any pledge of security or collateral for the Refunded Bonds hereby called shall also cease and become null on the Redemption Date. The Refunded Bonds called for redemption are as follows:

<u>CUSIP</u>	<u>Maturity (February 1)</u>	<u>Amount</u>	<u>Rate</u>
93342PBQ8	2017	\$505,000	4.000%
93342PBR6	2018	525,000	4.000
93342PBS4	2019	545,000	4.125
93342PBT2	2020	570,000	4.250
93342PBU9	2021	595,000	4.375
93342PBV7	2022	620,000	4.250
93342PBW5	2023	645,000	4.500
93342PCX2	2028	2,610,000	5.000
93342PCY0	2038	3,825,000	5.000

Since the Refunded Bonds are held under the book-entry system, payment will be made directly to the registered holder

Dated: _____, 2018

By: Regions Bank, as Trustee

NOTICE

Withholding of 28% of gross redemption proceeds made within the United States may be required by the Jobs and Growth Tax Relief Reconciliation Act of 2003, unless the Trustee has the correct taxpayer identification number (social security number) or exemption certificate of the payee. Please furnish a properly completed Form W-9 or exemption certificate or equivalent when presenting your securities.

NOTE: The Issuer and Trustee shall not be responsible for the use of the CUSIP number(s) selected, or is any representation made as to their correctness indicated in the notice or as printed on any Refunded Bond. They are included solely for the convenience of the holders.

CERTIFICATE

I, ~~Shirlene Huff~~ ^{Wendell Geiger Assistant}, Secretary of the Walton County Water and Sewerage Authority (the "Authority"), DO HEREBY CERTIFY that the foregoing pages of typewritten matter constitute a true, and correct copy of a resolution duly adopted on September 13, 2016, by the members of the Authority in a meeting duly called and assembled, which meeting was open to the public and at which a quorum was present and acting throughout, which Resolution has not been amended or rescinded and is in full force and effect on the date of this Certificate.

GIVEN under my hand and seal of the Authority, this 13th day of September, 2016.



Wendell H. Geiger
Assistant Secretary, Walton County Water and Sewerage Authority

EXHIBIT "2"

Oconee County Resolution

RESOLUTION OF THE BOARD OF COMMISSIONERS OF OCONEE COUNTY, GEORGIA TO APPROVE THE EXECUTION AND DELIVERY OF A THIRD SUPPLEMENT TO AN INTERGOVERNMENTAL CONTRACT WITH THE WALTON COUNTY WATER AND SEWERAGE AUTHORITY; TO RATIFY CERTAIN ACTIONS PREVIOUSLY TAKEN BY THE COUNTY; AND FOR OTHER PURPOSES

WHEREAS, pursuant to a resolution of the Walton County Water and Sewerage Authority (the "Authority"), adopted on September 25, 2007, as supplemented on March 25, 2008, the Authority issued its 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 validated by a judgment of the Superior Court of Walton County, entered on November 6, 2007, Civil Action File Number 07-3053-4; 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 2008 Bonds are currently outstanding in the aggregate principal amount of \$10,440,000; and

WHEREAS, Oconee County, Georgia (the "County") and the Authority have previously entered into an Intergovernmental Contract - 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"), and as supplemented by a Second Supplement to Intergovernmental Contract-Reservoir Project, dated July 1, 2015 (the "Second Supplement to Contract"), pursuant to which the Authority agreed to provide, or cause to be provided, certain water and sewerage facilities and services to the County, and the County 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 2008 Bonds and the Series 2015 Bonds, and which amounts will be pledged to secure the payment of the outstanding Series 2008 Bonds and the 2015 Bonds; and

WHEREAS, the Authority and the County propose to 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

WHEREAS, the Authority proposes to issue its 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 all of the outstanding Series 2008 Bonds (the “Refunded Bonds”), in order to achieve interest cost savings, (ii) finance or refinance the costs of acquiring, constructing, installing and equipping the 2016 Reservoir Project, and (iii) pay the costs of issuing the Series 2016 Bonds; and

WHEREAS, the County proposes to authorize the execution, performance and delivery of a Third Supplement to Intergovernmental Contract – Hard Labor Creek Reservoir Project (the “Third Supplement to Contract” and, together with the Original Intergovernmental Contract, the First Supplement to Contract, and the Second Supplement to Contract, the “Intergovernmental Contract”) substantially in the form attached hereto as Exhibit “A”, to identify the Series 2016 Bonds as secured by the Intergovernmental Contract with all the rights, benefits and securities granted thereunder and to provide for other related matters; and

WHEREAS, the principal amount of the Series 2016 Bonds maturing in each year, the interest rate on each such maturity and the debt service requirements for the Series 2016 Bonds are set forth in Exhibit “B” attached hereto; and

WHEREAS, the County proposes to authorize the execution and delivery of a Bond Purchase Agreement, dated the date hereof (the “Bond Purchase Agreement”), and substantially in the form presented to the Board of Commissioners of Oconee County (the “Board of Commissioners”) at this meeting, among the Authority, the County and Stifel Nicolaus & Company, Incorporated (the “Underwriter”), providing for the sale of the Series 2016 Bonds to the Underwriter; and

WHEREAS, the County proposes to ratify and approve the distribution of a Preliminary Official Statement (the “Preliminary Official Statement”) used in connection with the offering and sale of the Series 2016 Bonds; and

WHEREAS, the County proposes to approve the execution and delivery of an Official Statement (the “Official Statement”) with respect to the Series 2016 Bonds;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF OCONEE COUNTY AS FOLLOWS:

Section 1. Contract Supplement. The execution, delivery and performance by the Chairman and Clerk or Assistant Clerk of the Board of Commissioners of the Third Supplement to Contract is hereby authorized and approved. Such Third Supplement to Contract shall be in substantially the form attached hereto as Exhibit “A”, subject to such changes, insertions and omissions as may be approved by the Chairman executing the same, and the execution of the Third Supplement to Contract by the Chairman and Clerk or Assistant Clerk as herein authorized shall be conclusive evidence of such approval.

Section 2. Payments Under the Intergovernmental Contract. There are hereby authorized to be made by the County, from any moneys available for such purpose, all of the contract payments due under the Intergovernmental Contract in such amounts and at times which will be sufficient to enable the Authority to pay when due the principal of and interest on the Series 2016 Bonds, as such amounts are shown on Exhibit "B" attached hereto.

Section 3. Bond Purchase Agreement. The execution and delivery by the Chairman of the Board of Commissioners of the Bond Purchase Agreement is hereby authorized and approved. The Bond Purchase Agreement shall be in substantially the form presented to the Board of Commissioners at this meeting, subject to such changes, insertions or omissions as may be approved by the Chairman executing the same, and the execution of the Bond Purchase Agreement by the Chairman as herein authorized shall be conclusive evidence of such approval.

Section 4. Bond Validation. The Chairman of the Board of Commissioners is authorized and directed to cause to be prepared an answer to be filed in validation proceedings requesting that the Series 2016 Bonds and the security therefor be declared valid in all respects.

Section 5. Approval of Preliminary Official Statement. The use and distribution of the Preliminary Official Statement with respect to the Series 2016 Bonds is hereby ratified and approved.

Section 6. Deemed Final Certificate. The execution and delivery of the certificate deeming the Preliminary Official Statement final for purpose of Rule 15c2-12 promulgated under the Securities and Exchange Act of 1934, as amended, are hereby ratified and approved.

Section 7. Approval of Official Statement. The Chairman of the Board of Commissioners is hereby authorized to execute and deliver on behalf of the County the Official Statement and such certificates or letters of representation as may be necessary or convenient relating to the information concerning the County in the Official Statement relating to the Series 2016 Bonds. The Official Statement shall be in substantially the form as the Preliminary Official Statement, subject to such changes, insertions or omissions as may be approved by the Chairman executing the same, and the execution of the Official Statement by the Chairman as herein authorized shall be conclusive evidence of such approval. The use and distribution of the Official Statement by the underwriter of the Series 2016 Bonds is hereby approved.

Section 8. Additional Actions. From and after the date of adoption of this Resolution, the Chairman and Clerk or Assistant Clerk of the Board of Commissioners are hereby authorized and empowered to take such other actions and to execute for and on behalf of the County all such agreements, certificates, affidavits and other documents as may be necessary or desirable in connection with the execution and delivery by the County of the Third Supplement to Contract, the issuance and sale of the Series 2016 Bonds and the effectuation of the matters contemplated by this Resolution.

Section 9. Ratification of Prior Actions; Repealing Clause. The terms and provisions of the Original Intergovernmental Contract, as supplemented by the First Supplement to Contract and the Second Supplement to Contract, and all actions of the County previously taken with

respect thereto, are hereby ratified and reaffirmed except to the extent specifically modified or supplemented by this Resolution and by the execution of the Third Supplement to Contract as contemplated herein. All resolutions or parts thereof of the Board of Commissioners in conflict with the provisions herein contained are, to the extent of such conflict, hereby superseded and repealed.

Section 10. No Personal Liability. No stipulation, obligation or agreement herein contained or contained in the Indenture (as defined in the Official Statement), the Intergovernmental Contract or any amendatory contract or any other document relating to the Series 2016 Bonds shall be deemed to be a stipulation, obligation or agreement of any officer, member, agent or employee of the County in his or her individual capacity and no such officer, member, agent or employee shall be personally liable on the Series 2016 Bonds or be subject to personal liability or accountability by reason of the issuance or amendment thereof.

Section 11. Effective Date. This Resolution shall take effect immediately upon its adoption.

Adopted this 14th day of September, 2016.

BOARD OF COMMISSIONERS OF OCONEE
COUNTY

(SEAL)

By: *M. L. Davis*
Chairman

Attest:

Grange Y. Bailey
Clerk



EXHIBIT A

THIRD SUPPLEMENT TO INTERGOVERNMENTAL
CONTRACT – RESERVOIR PROJECT

THIRD SUPPLEMENT TO INTERGOVERNMENTAL CONTRACT –
RESERVOIR PROJECT

This THIRD SUPPLEMENT TO INTERGOVERNMENTAL CONTRACT - RESERVOIR PROJECT (this “Third Supplement to Contract”) is entered into as of the 1st day of October, 2016, 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, the Series 2008 Bonds are currently outstanding in the aggregate principal amount of \$10,440,000; 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”), and as supplemented by a Second Supplement to Intergovernmental Contract-Reservoir Project, dated July 1, 2015 (the “Second 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 2008 Bonds and the Series 2015 Bonds, and which amounts will be pledged to secure the payment of the Series 2008 Bonds and the Series 2015 Bonds; and

WHEREAS, pursuant to a resolution of the Authority adopted on September 13, 2016, the Authority, in order to achieve interest cost savings, issued its 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 all of the outstanding Series 2008 Bonds (the "Refunded Bonds"), in order to achieve interest cost savings, (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 the costs of issuing 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, the Second Supplemental Indenture, and a Third Supplemental Trust Indenture, dated as of October 1, 2016, between the Authority and the Trustee (the "Third Supplemental Indenture" and, together with the Original Indenture, the First Supplemental Indenture, and the Second Supplemental Indenture, the "Indenture"); and

WHEREAS, the County and the Authority propose to enter into this Third Supplement to Contract to identify the Series 2016 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, and this Third Supplement to Contract, the "Intergovernmental Contract");

NOW THEREFORE, in consideration of the premises and the undertakings set forth in this Third 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 Third Supplement to Contract shall become effective upon the date of issuance of the Series 2016 Bonds and shall continue in effect until the date when the principal of and the interest on all of the Series 2016 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 and this Third Supplement to Contract, extend for more than 50 years past the effective date of the Original Intergovernmental Contract.

3.

The Series 2016 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 2016 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 15th 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, 1/6th of the interest due for such year and 1/12th 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 2016 Bonds on the applicable optional payment date.

6.

Amounts required to be paid by the County under this Third 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 6 hereof, must prepay sufficient amounts to the Authority to enable the Authority to effect such redemption.

8.

The 2016 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 Third 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 Third 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 and the Second 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 Third 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

(SEAL)

By: _____
Chairman

Attest:

Secretary

EXHIBIT A

TERMS OF SERIES 2016 BONDS

[SEE ATTACHED]

Optional Redemption

The Series 2016 Bonds maturing on or after February 1, 2027 may be redeemed prior to their respective maturities at the option of the Authority, either in whole or in part, in any order of maturities, on any date not earlier than February 1, 2026 at a redemption price of 100% of the principal amount to be redeemed, plus accrued interest to the redemption date.

Mandatory Redemption

The Series 2016 Bonds maturing on February 1, 2036, are subject to mandatory sinking fund redemption on February 1, 2028 and on each February 1 thereafter, in accordance with the table below, at a redemption price equal to the principal amount of each Series 2016 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, 2036 amount to be paid rather than redeemed):

<u>February 1 of the Year</u>	<u>Principal Amount to be redeemed</u>
2028	\$25,000
2029	25,000
2030	25,000
2031	25,000
2032	30,000
2033	30,000
2034	30,000
2035	30,000
2036	1,250,000

The Series 2016 Bonds maturing on February 1, 2038, are subject to mandatory sinking fund redemption on February 1, 2037 and on each February 1 thereafter, in accordance with the table below, at a redemption price equal to the principal amount of each Series 2016 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, 2038 amount to be paid rather than redeemed):

<u>February 1 of the Year</u>	<u>Principal Amount to be redeemed</u>
2037	\$1,295,000
2038	1,345,000

Bond Pricing
Walton County Water and Sewerage Authority
Refunding Revenue Bonds (Oconee-Hard Labor Creek Reservoir Project), Series 2016

Bond Component	Maturity Date	Amount	Rate	Yield	Price	Yield to Maturity
Serial Bonds:						
	2/1/2017	100,000	2.000%	0.750%	100.355	
	2/1/2018	465,000	2.000%	0.830%	101.493	
	2/1/2019	475,000	3.000%	0.930%	104.670	
	2/1/2020	490,000	4.000%	1.020%	109.605	
	2/1/2021	515,000	4.000%	1.120%	112.018	
	2/1/2022	530,000	5.000%	1.250%	119.122	
	2/1/2023	560,000	5.000%	1.400%	121.588	
	2/1/2024	585,000	5.000%	1.550%	123.680	
	2/1/2025	615,000	5.000%	1.660%	125.754	
	2/1/2026	645,000	5.000%	1.770%	127.544	
	2/1/2027	375,000	5.000%	1.860%	126.662 C	2.104%
		5,355,000				
2036 Term Bond:						
	2/1/2036	1,470,000	4.000%	2.730%	110.351 C	3.272%
2038 Term Bond:						
	2/1/2038	2,640,000	4.000%	2.770%	110.007 C	3.339%
		9,465,000				

Dated Date	10/18/2016	
Delivery Date	10/18/2016	
First Coupon	2/1/2017	
Par Amount	9,465,000.00	
Premium	1,351,577.45	

Production	10,816,577.45	114.279741%
Underwriter's Discount	-70,987.50	-0.750000%

Purchase Price	10,745,589.95	113.529741%
Accrued Interest		

Net Proceeds	10,745,589.95	

EXHIBIT B

TERMS OF SERIES 2016 BONDS

[SEE ATTACHED]

Optional Redemption

The Series 2016 Bonds maturing on or after February 1, 2027 may be redeemed prior to their respective maturities at the option of the Authority, either in whole or in part, in any order of maturities, on any date not earlier than February 1, 2026 at a redemption price of 100% of the principal amount to be redeemed, plus accrued interest to the redemption date.

Mandatory Redemption

The Series 2016 Bonds maturing on February 1, 2036, are subject to mandatory sinking fund redemption on February 1, 2028 and on each February 1 thereafter, in accordance with the table below, at a redemption price equal to the principal amount of each Series 2016 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, 2036 amount to be paid rather than redeemed):

<u>February 1 of the Year</u>	<u>Principal Amount to be redeemed</u>
2028	\$25,000
2029	25,000
2030	25,000
2031	25,000
2032	30,000
2033	30,000
2034	30,000
2035	30,000
2036	1,250,000

The Series 2016 Bonds maturing on February 1, 2038, are subject to mandatory sinking fund redemption on February 1, 2037 and on each February 1 thereafter, in accordance with the table below, at a redemption price equal to the principal amount of each Series 2016 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, 2038 amount to be paid rather than redeemed):

<u>February 1 of the Year</u>	<u>Principal Amount to be redeemed</u>
2037	\$1,295,000
2038	1,345,000

Bond Pricing
Walton County Water and Sewerage Authority
Refunding Revenue Bonds (Oconee-Hard Labor Creek Reservoir Project), Series 2016

Bond Component	Maturity Date	Amount	Rate	Yield	Price	Yield to Maturity
Serial Bonds:						
	2/1/2017	100,000	2.000%	0.750%	100.355	
	2/1/2018	465,000	2.000%	0.830%	101.493	
	2/1/2019	475,000	3.000%	0.930%	104.670	
	2/1/2020	490,000	4.000%	1.020%	109.605	
	2/1/2021	515,000	4.000%	1.120%	112.018	
	2/1/2022	530,000	5.000%	1.250%	119.122	
	2/1/2023	560,000	5.000%	1.400%	121.588	
	2/1/2024	585,000	5.000%	1.550%	123.680	
	2/1/2025	615,000	5.000%	1.660%	125.754	
	2/1/2026	645,000	5.000%	1.770%	127.544	
	2/1/2027	375,000	5.000%	1.860%	126.662 C	2.104%
		5,355,000				
2036 Term Bond:						
	2/1/2036	1,470,000	4.000%	2.730%	110.351 C	3.272%
2038 Term Bond:						
	2/1/2038	2,640,000	4.000%	2.770%	110.007 C	3.339%
		9,465,000				

Dated Date	10/18/2016	
Delivery Date	10/18/2016	
First Coupon	2/1/2017	
Par Amount	9,465,000.00	
Premium	1,351,577.45	

Production	10,816,577.45	114.279741%
Underwriter's Discount	-70,987.50	-0.750000%

Purchase Price	10,745,589.95	113.529741%
Accrued Interest		

Net Proceeds	10,745,589.95	

CLERK'S CERTIFICATE

I, the undersigned Clerk of the Board of Commissioners of Oconee County, DO HEREBY CERTIFY that the foregoing pages of typewritten matters constitute a true and correct copy of a resolution of the Board of Commissioners of Oconee County duly adopted on September 2016, 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 appears of record in the Minute Book of the Board of Commissioners which is in my custody and control.

GIVEN under my hand and seal of Oconee County, this 14th day of September, 2016.

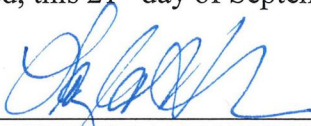


Clerk, Board of Commissioners of Oconee County

(SEAL)



I hereby acknowledge personal service of the foregoing Notice; copy received;
any and all other notice and service are hereby waived, this 21st day of September, 2016.



DISTRICT ATTORNEY
ALCOVY JUDICIAL CIRCUIT

IN THE SUPERIOR COURT OF WALTON, COUNTY

STATE OF GEORGIA

STATE OF GEORGIA,)
)
 Plaintiff,)
)
 v.)
)
 WALTON COUNTY WATER AND)
 SEWERAGE AUTHORITY and)
 OCONEE COUNTY, GEORGIA,)
)
 Defendants.)

CIVIL ACTION FILE NO. 16-1733-3
 BOND VALIDATION

FILED IN OFFICE
 CLERK SUPERIOR COURT
 WALTON COUNTY GEORGIA
 2016 SEP 21 PM 3:42
 KATHY K. TROST, CLERK

ORDER

The within and foregoing petition and complaint for validation on behalf of the State of Georgia against the Walton County Water and Sewerage Authority and Oconee County, Georgia, by the District Attorney of the Alcovy Judicial Circuit (the "petition and complaint"), read and considered, IT IS ORDERED that the petition and complaint be filed and that the defendants be served in the manner provided by law.

IT IS FURTHER ORDERED that the defendants appear before the presiding Judge on the 11th day of October, 2016, at the Walton County Courthouse in the City of Monroe, Georgia, at 9:30 A.M. and then and there make answer under oath touching upon all matters contained in the petition and complaint and show cause, if any exists, why the 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 described in the petition and complaint and the security therefor should not be confirmed and validated as provided by law.

In the meantime the Clerk of this Court is hereby directed to publish in the official newspapers in which sheriffs advertisements appear for Walton County, Georgia and Oconee County, Georgia, in each of the two successive weeks immediately preceding the week of said hearing, a notice to the public that on the date hereinabove specified in this order, the above stated cause, the same being a petition and complaint for the purpose of confirming and validating said Series 2016 Bonds described in the foregoing petition and complaint, and passing upon all matters of law and fact pertaining to the right to issue said Series 2016 Bonds and the security therefor (including the Third Supplemental Indenture and the Third Supplement to Contract), will be heard and determined, and any citizen of the State of Georgia residing in Walton County and Oconee County, Georgia, or any person wherever residing who may have a right to object, may become a party to this proceeding.

Let a copy of the petition and complaint and this order be served upon the defendants and let said defendants, by their proper officers, make sworn answer, as is provided by law.

This 21st day of September, 2016.



JUDGE, SUPERIOR COURT,
WALTON COUNTY, GEORGIA

NOTICE TO THE PUBLIC

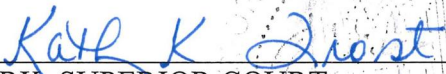
YOU ARE HEREBY NOTIFIED that there will be heard before the Judge presiding in the Superior Court of Walton County, Georgia, on the 11th day of October, 2016, at 9:30 A.M., at the courthouse in Monroe, Georgia, the case of the STATE OF GEORGIA v. WALTON COUNTY WATER AND SEWERAGE AUTHORITY and OCONEE COUNTY, GEORGIA, Civil Action File No. 16-1733-3, in the Superior Court of Walton County, the same being a proceeding to confirm and validate the 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"). The Series 2016 Bonds are being issued by the Walton County Water and Sewerage Authority (the "Issuer") for the purpose of (i) refunding all of the Issuer's outstanding Revenue Bonds (Oconee-Hard Labor Creek Reservoir Project), Series 2008 (the "Refunded Bonds"), (ii) financing or refinancing a portion of the cost of acquiring, constructing, installing and equipping storage and transmission facilities related to the Hard Labor Creek reservoir and (iii) paying certain expenses incident to the issuance of the Series 2016 Bonds, so as to effect a savings on the debt service requirements of the Issuer's now outstanding bonded indebtedness. In such proceeding, the Court will also pass upon the validity and enforceability of the Third Supplement to Intergovernmental Contract-Reservoir Project, dated as of October 1, 2016, between the Issuer and Oconee County, Georgia ("Oconee County"), pursuant to which Oconee County has agreed, in consideration of the provision of facilities and services by the Issuer to Oconee County, to make payments to the Issuer which the Issuer will apply to provide for the payment of the principal of and interest on the Series 2016 Bonds when due.

FILED IN OFFICE
CLERK SUPERIOR COURT
WALTON COUNTY GEORGIA
2016 SEP 21 PM 3:45
CATHY K. TROST, CLERK

YOU ARE FURTHER NOTIFIED THAT THE ISSUER WILL NOT CONDUCT ANY PERFORMANCE AUDIT OR PERFORMANCE REVIEW WITH RESPECT TO THE SERIES 2016 BONDS AS SUCH TERMS ARE DESCRIBED IN SECTION 36-82-100, OFFICIAL CODE OF GEORGIA ANNOTATED.

Any resident of Walton County, Georgia or Oconee County, Georgia, or any other person wherever residing who has a right to object, may become a party to these proceedings.

This the 21st day of September, 2016.



CLERK, SUPERIOR COURT,
WALTON COUNTY, GEORGIA



IN THE SUPERIOR COURT OF WALTON COUNTY

STATE OF GEORGIA

STATE OF GEORGIA,)
)
 Plaintiff,)
)
 vs.)
)
 WALTON COUNTY WATER AND)
 SEWERAGE AUTHORITY and)
 OCONEE COUNTY, GEORGIA,)
)
 Defendants.)

CIVIL ACTION FILE NO. 16-1733-3

BOND VALIDATION

FILED IN OFFICE
CLERK SUPERIOR COURT
WALTON COUNTY GEORGIA
2016 OCT -6 PM 1:27
KATHY K. TROST, CLERK

ACKNOWLEDGMENT OF SERVICE BY
WALTON COUNTY WATER AND SEWERAGE AUTHORITY

Due and legal service of the foregoing petition and complaint with exhibits and order dated September 21, 2016, is hereby acknowledged; copy received; process and any and all other notice and service waived this 6th day of October, 2016.



Charles M. Ferguson, Jr., Esq.,
Counsel for Walton County Water and Sewerage
Authority

Address:

Atkinson Ferguson, LLC
118 Court Street
Monroe, Georgia 30655
Telephone: 770-267-3000
State Bar No: 749679

IN THE SUPERIOR COURT OF WALTON COUNTY

STATE OF GEORGIA

STATE OF GEORGIA,)
)
 Plaintiff,)
)
 vs.)
)
 WALTON COUNTY WATER AND)
 SEWERAGE AUTHORITY and)
 OCONEE COUNTY, GEORGIA,)
)
 Defendants.)

CIVIL ACTION FILE NO. 16-1733-9
 BOND VALIDATION

FILED IN OFFICE
 CLERK SUPERIOR COURT
 WALTON COUNTY GEORGIA
 2016 OCT 10 PM 4:53
 KATHY K. TROST, CLERK

ANSWER OF WALTON COUNTY WATER AND SEWERAGE AUTHORITY

COMES NOW the defendant, WALTON COUNTY WATER AND SEWERAGE AUTHORITY (the "Issuer"), a defendant named in the above titled cause, and makes and files this answer to the petition and complaint for bond validation and order served upon it, and says:

1.

This defendant Issuer admits each and every allegation contained in each and every paragraph of the petition and complaint of the District Attorney filed against this defendant Issuer in this cause.

2.

This defendant Issuer further shows that due and legal service was made upon it of such petition and complaint and of the order to show cause, if any exists, why the \$9,465,000 Walton County Water and Sewerage Authority Revenue Bonds (Oconee-Hard Labor Creek Reservoir Project), Series 2016 (the "Series 2016 Bonds"), and more fully described in paragraphs 11 and 12 of the petition and complaint, should not be confirmed and validated.

3.

This defendant Issuer further shows that following the service of the petition and complaint of the District Attorney and the order of this Honorable Court on this defendant Issuer, the Clerk of the Superior Court of Walton County, Georgia had published in the newspaper in Walton County, Georgia in which sheriff's advertisements are published, a notice to the public, and a copy of such notice and affidavit as to publication are attached hereto and made a part hereof and marked Exhibit "A."

4.

This defendant Issuer further shows that following the service of the petition and complaint of the District Attorney and the order of this Honorable Court on this defendant Issuer, the Clerk of the Superior Court of Walton County, Georgia had published in the newspaper in Oconee County, Georgia in which sheriff's advertisements are published, a notice to the public, and a copy of such notice and affidavit as to publication are attached hereto and made a part hereof and marked Exhibit "B."

5.

This defendant Issuer further shows that it was duly created and is validly existing pursuant to an Act of the General Assembly of the State of Georgia (Ga. Laws 1972, p. 3623 *et seq.*), as amended from time to time (the "Act"). All members of the Issuer have been duly appointed, and the Issuer continues to exist and function. The Issuer is subject to the jurisdiction of this Court.

6.

This defendant Issuer further shows that the authority for the issuance and sale by it of the Series 2016 Bonds is pursuant to the Constitution and laws of the State of Georgia,

including specifically the Act and the Revenue Bond Law (as defined in the petition and complaint), and a resolution of this defendant Issuer adopted on the September 13, 2016 (the “Bond Resolution”), a certified copy of which forms a part of the petition and complaint. The interest rates, the final maturity date, the maximum annual debt service and other terms pertaining to the Series 2016 Bonds are set forth in the Bond Resolution and the exhibits thereto. The Bond Resolution has not been modified, amended, repealed or rescinded, and is of full force and effect as of the date hereof.

7.

This defendant Issuer further shows that the proceeds derived from the sale of the Series 2016 Bonds will be used and applied only for the purposes set forth in the Bond Resolution, and the Bond Resolution has not been amended or repealed. The purposes of the Series 2016 Bonds are, as set forth in the Bond Resolution, to provide funds to (1) advance refund the Refunded Bonds (as defined in the petition and complaint), (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 (3) pay certain costs incident to the issuance of the Series 2016 Bonds.

8.

This defendant Issuer further shows that as required by the Act, the Board of Commissioners of Walton County, Georgia (“Walton County”) adopted a resolution (the “Walton County Authorizing Resolution”) on September 13, 2016, consenting to the adoption by this defendant Issuer of the Bond Resolution and approving the actions authorized therein, and a certified copy of the Walton County Authorizing Resolution is attached hereto as Exhibit “C”.

9.

This defendant Issuer further shows that the Series 2016 Bonds will be issued pursuant to the Original Indenture (as defined in the petition and complaint), as supplemented by the First Supplemental Indenture (as defined in the petition and complaint), as supplemented by a Second Supplemental Indenture (as defined in the petition and complaint), and as supplemented by a Third Supplemental Trust Indenture, dated as of October 1, 2016 (the “Third Supplemental Indenture” and together with the Original Indenture, the First Supplemental Indenture, and the Second Supplemental Indenture, the “Indenture”), each between the defendant Issuer and the Trustee.

10.

This defendant Issuer and defendant Oconee County, Georgia (“Oconee County”) will enter into a Third Supplement to Intergovernmental Contract-Reservoir Project, dated as of October 1, 2016 (the “Third Supplement to Contract” and, together with the Original Contract (as defined in the petition and complaint), the First Supplement to Contract (as defined in the petition and complaint), and the Second Supplement to Contract (as defined in the petition and complaint), the “Contract”), which supplements the Original Contract, as supplemented by the First Supplement to Contract and the Second Supplement to Contract, pursuant to which the defendant Issuer agrees to provide the Reservoir Project (as hereinafter defined) and the 2016 Reservoir Project and make water available therefrom to the defendant Oconee County, and the defendant Oconee County, in consideration of the provision of such facilities and services to the defendant Oconee County, has agreed to pay to the defendant Issuer amounts from time to time which the defendant Issuer will use to provide for the payment of the principal of and interest on

the Series 2015 Bonds (as defined in the petition and complaint) and the Series 2016 Bonds when due.

11.

This defendant Issuer further shows that the Third Supplemental Indenture, a form of which is attached to the Bond Resolution, attached to the Notice to the District Attorney and incorporated and made a part of the petition and complaint, when executed and delivered by both parties thereto, will constitute the legal, valid, binding and enforceable obligation of this defendant.

12.

This defendant Issuer further shows that the Third Supplement to Contract, a form of which is attached to the Bond Resolution, attached to the Notice to the District Attorney and incorporated and made a part of the petition and complaint, when executed and delivered by both parties thereto, will constitute the legal, valid, binding and enforceable obligation of this defendant.

13.

This defendant Issuer further shows that pursuant to the Contract, Oconee County has further agreed to levy an annual tax on all taxable property located within the boundaries of Oconee County which is subject to taxation for general county purposes as may be necessary to make the payments called for by the Contract.

14.

This defendant Issuer further shows that, under the Indenture, all right, title and interest of this defendant Issuer in the Contract and the payments to be made by Oconee County pursuant to the Contract (the "Trust Estate") will be irrevocably assigned to the Trustee and

pledged to the payment of the principal of and interest on, and other amounts payable with respect to, the Series 2016 Bonds and are sufficient to pay the principal of and interest on the Series 2016 Bonds as the same become due and payable.

15.

The defendant Issuer further shows that the Trust Estate pledged under the Indenture for the Series 2016 Bonds will constitute the security for the payment of the Series 2016 Bonds and, the Series 2016 Bonds, upon the execution and delivery thereof, will be the legal, valid, binding and enforceable obligations of defendant Issuer.

16.

This defendant Authority further shows that it has entered into an Intergovernmental Reservoir and Water Supply and Treatment Agreement, dated as of September 1, 2007 (the "Water Supply Agreement") with Oconee County and Walton County pursuant to which Oconee County agreed, among other things, to pay a portion of the cost to acquire, construct, install and equip a reservoir and related treatment and distribution facilities in Walton County, Georgia on Hard Labor Creek (the "Reservoir Project") and in consideration thereof, has certain rights with respect to the Reservoir Project and a portion of the output therefrom, and the Water Supply Agreement constitutes the legal, valid, binding and enforceable obligation of this defendant Authority, except that the enforceability thereof may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting the enforcement of creditors' rights generally and principles of equity applicable to the availability of specific performance or other equitable relief.

17.

This defendant Issuer further shows that the validity and enforceability of the Water Supply Agreement and the Original Contract have been adjudged previously by the order of this Court dated the 6th day of November, 2007, in Civil Action File No. 07-3053-4.

18.

The refunding of the Refunded Bonds and the issuance of the Series 2016 Bonds and the security therefor are sound, feasible and reasonable.

19.

This defendant Issuer further shows that the Trustee will take all proper and necessary steps under the laws of the State of Georgia to accept and administer the trusts created under the Indenture.

20.

This defendant Issuer, pursuant to the laws of the State of Georgia, in particular O.C.G.A. § 9-11-52, waives the requirement that separate findings of fact and conclusions of law be entered in this action.

21.

This defendant Issuer submits that it has in every way complied with the Constitution and laws of the State of Georgia governing the authorization, issuance and delivery of the Series 2016 Bonds and that all steps taken pertaining thereto are legal and valid in all respects, and prays an adjudication of all matters pertaining to the validity of the Series 2016 Bonds and the security therefor.

WHEREFORE, having answered fully, this defendant Issuer prays judgment in favor of the issuance of the Series 2016 Bonds, finding that all necessary requirements as a matter of fact and as a matter of law have been met, that this defendant Issuer is authorized to enter into the Third Supplemental Indenture, the Third Supplement to Contract and to assume the obligations represented thereby, and that an order be issued validating and confirming the Series 2016 Bonds and the security therefor and authorizing the Clerk of the Superior Court of Walton County, Georgia to execute the certificate of validation on each of the certificates, all as provided by law.

WALTON COUNTY WATER AND SEWERAGE
AUTHORITY



Charles M. Ferguson, Jr., Esq.,
Counsel for Walton County Water and Sewerage
Authority

Address:

Atkinson Ferguson, LLC
118 Court Street
Monroe, Georgia 30655
Telephone: 770-267-3000
State Bar No: 749679

EXHIBIT A

AFFP
3140-WC Water&Sewerage

Affidavit of Publication

STATE OF GEORGIA }
COUNTY OF WALTON } SS

NOTICE TO THE
PUBLIC

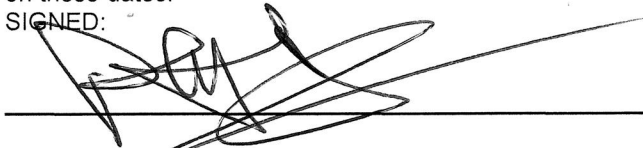
Patrick Graham, being duly sworn, says:

That he is Owner / Publisher of the The Walton Tribune, a weekly newspaper of general circulation, printed and published in Monroe, Walton County, Georgia; that the publication, a copy of which is attached hereto, was published in the said newspaper on the following dates:

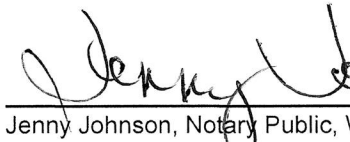
September 28, 2016, October 05, 2016

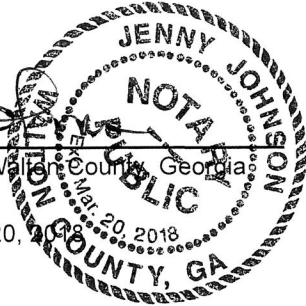
That said newspaper was regularly issued and circulated on those dates.

SIGNED:



Subscribed to and sworn to me this 5th day of October 2016.


Jenny Johnson, Notary Public, Walton County, Georgia
My commission expires: March 20, 2018



YOU ARE HEREBY NOTIFIED that there will be heard before the Judge presiding in the Superior Court of Walton County, Georgia, on the 11th day of October, 2016, at 9:30 A.M., at the courthouse in Monroe, Georgia, the case of the STATE OF GEORGIA v. WALTON COUNTY WATER AND SEWERAGE AUTHORITY and OCONEE COUNTY, GEORGIA, Civil Action File No. 16-1733-3, in the Superior Court of Walton County, the same being a proceeding to confirm and validate the 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"). The Series 2016 Bonds are being issued by the Walton County Water and Sewerage Authority (the "Issuer") for the purpose of (i) refunding all of the Issuer's outstanding Revenue Bonds (Oconee-Hard Labor Creek Reservoir Project), Series 2008 (the "Refunded Bonds"), (ii) financing or refinancing a portion of the cost of acquiring, constructing, installing and equipping storage and transmission facilities related to the Hard Labor Creek reservoir and (iii) paying certain expenses incident to the issuance of the Series 2016 Bonds, so as to effect a savings on the debt service requirements of the Issuer's now outstanding bonded indebtedness. In such proceeding, the Court will also pass upon the validity and enforceability of the Third Supplement to Intergovernmental Contract-Reservoir Project, dated as of October 1, 2016, between the Issuer and Oconee County, Georgia ("Oconee County"), pursuant to which Oconee County has agreed, in consideration of the provision of facilities and services by the Issuer to Oconee County, to make payments to the Issuer which the Issuer will apply to provide for the payment of the principal of and interest on the Series 2016 Bonds when due. YOU ARE FURTHER NOTIFIED THAT THE ISSUER WILL NOT CONDUCT ANY PERFORMANCE AUDIT OR PERFORMANCE REVIEW WITH RESPECT TO THE SERIES 2016 BONDS AS SUCH TERMS ARE DESCRIBED IN SECTION 36-82-100, OFFICIAL CODE OF GEORGIA ANNOTATED. Any resident of Walton County, Georgia or Oconee County, Georgia, or any other person wherever residing who has a right to object, may become a party to these proceedings. This the 21st day of September, 2016.

Kathy K. Trost
CLERK, SUPERIOR COURT,
WALTON COUNTY, GEORGIA

3140

00013340 00003640

Lauren Otto
Atkinson | Ferguson
118 Court Street
Monroe, GA 30655

Cars & Trucks 4300



2008 GMC CANYON SLE1
3.7L 5 Automatic
169,013 miles
Onyx Black
88184834
\$10,750
Loganville Ford
770-554-9994



2011 KIA SORENTO
2.4L 4 Automatic
97,906 miles
Spicy Red
BG039342
\$12,000
Loganville Ford
770-554-9994



2011 TOYOTA TUNDRA LIMITED CREW CAB SHORT BED
5.7 L V8 32V
6-Speed Automatic
118,950 miles
Super White
BX112547
\$25,250
Loganville Ford
770-554-9994



2012 CHEVROLET MALIBU LT 1LT
2.4L 4 Automatic
90,386 miles
Mocha Steel
CF274960
\$11,500
Loganville Ford
770-554-9994



2012 KIA OPTIMA LX
2.4L 4 Automatic
92,723

Services 5010

#1 M & M LAWN SERVICE

All Type of Yard Work!
Lawn Starting at \$30
770/780-9786

AFFORDABLE HANDYMAN/ LAWN (Grass & Tree Work) CLEAN GUTTERS



Call David
A man after Gods Heart
678-602-1580

HANDYMAN SERVICES
Serving Walton & Newton Co. Area
Interior & Exterior Home Repairs
• Free Estimates •
Call Ryan Myers
678-464-8667

Help Wanted 6010

Needed: Laundry Worker
3pm - 11 pm
Housekeeper
7a - 3p
Apply at Park Place Nursing Facility
1865 Bold Springs Rd
Monroe 30656

Positions Wanted 6100

DO YOU NEED SOMEONE TO SIT WITH YOUR LOVE ONE?

If So, I am honest, with 20 years experience, and dependable. I am able to stay overnight.
Call Jackie
770-466-4063

Public Notice 8010

IN THE SUPERIOR COURT OF WALTON COUNTY STATE OF GEORGIA

CIT BANK, N.A., CIVIL ACTION FILE NO. 16-0672-5 Petitioner,

v. JERRY W. RAMMING and BARRY D. RAMMING,

Respondents.

NOTICE OF

Public Notice 8010

were removed from HAMMOND PARK MONROE, GA 30655 and are currently being stored at 417 E. Spring St., Monroe, GA. 30655. In the possession of Taylor's 24hr Wrecker Service. Attempts to locate the owner have been unsuccessful. The vehicles are deemed abandoned under O.C.G.A. 40-11-2 and will be disposed of if not redeemed. This notice is given pursuant to Georgia Law. Any Claims on these vehicles should be made to Taylor's 24hr Wrecker Service at 417 E. Spring St. Monroe, GA. 30655 (770) 207-5666

3131

Notice

Pursuant to the "Georgia Self Storage Act", a public sale of the contents of the storage spaces listed below at 204 Bay Creek Road, Suite A, Loganville ga. The Auction will be held on Saturday, October 22, 2016 At 11:00am. This will be sold to the highest bidder.

HOUSEHOLD GOODS/TOOLS Steve & Robyn Bova

HOUSEHOLD GOODS/TOOLS Lauren Anglin

HOUSEHOLD GOODS/TOOLS Perry Samples

HOUSEHOLD GOODS/TOOLS Lorri Davis

HOUSEHOLD GOODS/TOOLS Henry & Kayla Johnson

HOUSEHOLD GOODS/TOOLS Glenda Poindexter

HOUSEHOLD GOODS/TOOLS James Camp

HOUSEHOLD GOODS/TOOLS Michael Camp

3133

Notice

Public Notice 8010

NOTICE TO THE PUBLIC

YOU ARE HEREBY NOTIFIED that there will be heard before the Judge presiding in the Superior Court of Walton County, Georgia, on the 11th day of October, 2016, at 9:30 A.M., at the courthouse in Monroe, Georgia, the case of the STATE OF GEORGIA v. WALTON COUNTY WATER AND SEWERAGE AUTHORITY and OCONEE COUNTY, GEORGIA, Civil Action File No. 16-1733-3, in the Superior Court of Walton County, the same being a proceeding to confirm and validate the 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"). The Series 2016 Bonds are being issued by the Walton County Water and Sewerage Authority (the "Issuer") for the purpose of (i) refunding all of the Issuer's outstanding Revenue Bonds (Oconee-Hard Labor Creek Reservoir Project), Series 2008 (the "Refunded Bonds"), (ii) financing or refinancing a portion of the cost of acquiring, constructing, installing and equipping storage and transmission facilities related to the Hard Labor Creek reservoir and (iii) paying certain expenses incident to the issuance of the Series 2016 Bonds, so as to effect a savings on the debt service requirements of the Issuer's now outstanding bonded indebtedness. In such proceeding, the Court will also pass upon the validity and enforceability of the Third Supplement to Intergovernmental Contract-Reservoir Project, dated as of October 1, 2016, between the Issuer and Oconee County, Georgia ("Oconee County"), pursuant to which Oconee County has agreed, in consideration of the provision of facilities and services by the Issuer to Oconee County, to make payments to the Issuer which the Issuer will apply to provide for the payment of the principal of and interest on the

Public Notice

PUBLIC

- Taylor's 24 Service
417 E Spr
roe, Ga 3
770-207-56
AUCTION
2016 @
- 1995 C S-10 1GCCS194
 - 2007 C IMPALA 2G1WT581
 - 2001 FC 1FTZX172
 - 2004 Kl KNAFE127
 - 2002 F US 1FAPP53L
 - 1998 NEON 1P3ES47C
 - 1987 A RV CAMF 165125-4E
 - 1989 FC 1FTDF157
 - 1991 CORD 1HGCB7E
 - 1998 TURY 2G4WSS: 9
 - 1991 C 2GTEC19
 - 2003 TIMA 1N4AL11
 - 1991 C 2GTEC19
 - 200 SRX 1GYEE6:
 - 2001 CORD 1HGCG2
 - 20 MAXIM JN1DA37
 - 19 KATAN JS1GN7:
 - 19 BOAT 1284114
 - 2 RANGI 1FTYR4:
 - 19 MOBIL 1G3GRE
 - 1999 TAHOE 1GNEK1

92,723
Dark Cherry
CG019327
\$11,250
Loganville Ford
770-554-9994



**2013 FORD
C-MAX ENERGI
SEL HATCHBACK**

2.0L I4 16V
Automatic CVT
71,634 miles
Tuxedo Black
DL515403
\$13,000
Loganville Ford
770-554-9994



**2015 CHRYSLER
300S SEDAN**

3.6 V6 24V
8-Speed Automatic
17,671 miles
Phantom Black
Tri-Coat Pearl
FH932184
\$25,250
Loganville Ford
770-554-9994



**2016 CHRYSLER
TOWN &
COUNTRY S
PASSENGER VAN**

3.6L V6 24V
Automatic
23,975 miles
Deep Cherry Red
Crystal Pearlcoat
GR167446
\$28,000
Loganville Ford
770-554-9994



**2016 FORD
EXPEDITION
LIMITED SUV**

3.5L EcoBoost V6
6-Speed Automatic
18,692 miles
Ruby Red Tinted CL
GEF11322
\$52,000
Loganville Ford
770-554-9994



**2016 VOLVO
XC90 T5
MOMENTUM**

2.0L I4 16V
Turbo

**NOTICE OF
PUBLICATION**

By order for service by publication dated September 1, 2016, Barry W. Ramming is hereby notified that CIT Bank, N.A., filed suit against him to Establish Lost Records and for Declaratory Judgment or, in the alternative, for Equitable Subrogation or Equitable Lien on March 28, 2016.

Barry W. Ramming is required to file with the Clerk of the Superior Court, and serve upon Petitioner's Attorney, Elizabeth B. Padgett, an answer in writing within sixty (60) days of the date of the order for publication.

Witness, the Honorable W. Kendall Wynne, Jr., Judge of this Superior Court. This _____ day of September, 2016.

DEPUTY CLERK,
Superior Court of
Walton County, Georgia
FOR: Elizabeth B. Padgett
Georgia Bar No.
558640
Attorney for Petitioner
Fidelity National Law
Group

4170 Ashford Dunwoody Road, Suite 460
Atlanta, GA 30319
Tel: (770) 325-4815
Fax: (404) 968-2189
Elizabeth.Padgett@fnf.com

3109

**NOTICE OF
ABANDONED
MOTOR VEHICLE**

1999 HONDA CIVIC
V I N #
1HGEJ8246XL023746
GREEN

The above vehicles were removed from 104 W FAMBROUGH ST MONROE, GA 30655 and are currently being stored at 417 E. Spring St., Monroe, GA, 30655. In the possession of Taylor's 24hr Wrecker Service. Attempts to locate the owner have been unsuccessful. The vehicles are deemed abandoned under O.C.G.A. 40-11-2 and will be disposed of if not redeemed. This notice is given pursuant to Georgia Law. Any Claims on these vehicles should be made to Taylor's 24hr Wrecker Service at 417 E. Spring St. Monroe, GA, 30655 (770) 207-5666

3130

**NOTICE OF
ABANDONED
MOTOR VEHICLE**

Pursuant to the "Georgia Self Storage Act", a public sale of the contents of the storage spaces listed below at 4138 Pecan Street, Loganville, GA (770)466-1919 will be held October 22nd, 2016 at 10:00 AM. This sale will be for cash to the highest bidder. American Storage Reserves the right to reject any bids and to withdraw any items.

Household Goods, Furniture, Boxes, Sporting Goods, and/or Tools

General Contents:
Email confirmation to fredbalke@gmail.com

HOUSEHOLD
GOODS/TOOLS
Teresa Perkins E-179

HOUSEHOLD
GOODS/TOOLS
Tammy Willard H-288

3136

PUBLIC NOTICE

Walton Security Storage will hold a public sale to enforce a lien imposed on said property, as described below, pursuant to the Georgia Self Storage Facility Act, Georgia Code 10-4-210 to 10-4-215, at 03:30 PM on Thursday, October 27, 2016, at Walton Security Storage, 1630 S Broad St, Monroe, GA 30655.

Management reserves the right to withdraw any unit from sale. Registered or motor vehicles are sold "As Is / Parts Only," no titles or registration.

Tenant Name Unit #
Stored Items

BRIAN STARGEL 70
HHG

JOHN T DRISKELL III
B35
HHG

T O W A L L A
THORNTON B44
HHG

Tammy Fox D22
H H G , F U R N ,
B C X E S , T O Y S

CHARLES LE DE-
LORENZO E03
HHG

KEVIN STAFFORD
E09
Hhg

Jacorian Carr E14
HHG

Tonio Butts F11
HHG,FURN,BOXES

al of and interest on the Series 2016 Bonds when due. YOU ARE FURTHER NOTIFIED THAT THE ISSUER WILL NOT CONDUCT ANY PERFORMANCE AUDIT OR PERFORMANCE REVIEW WITH RESPECT TO THE SERIES 2016 BONDS AS SUCH TERMS ARE DESCRIBED IN SECTION 36-82-100, OFFICIAL CODE OF GEORGIA ANNOTATED.

Any resident of Walton County, Georgia or Oconee County, Georgia, or any other person wherever residing who has a right to object, may become a party to these proceedings.

This the 21st day of September, 2016.

Kathy K. Trost

CLERK, SUPERIOR
COURT,
WALTON COUNTY,
GEORGIA

3140

**NOTICE OF
ABANDONED
VEHICLE**

The following motor vehicle advertised pursuant to O.C.G.A. Code Section 40-11-2, is being stored at:
217 CEDAR CREST LANE, LOGANVILLE, GA 30052

2003 CADILLAC PROFESSIONAL CHASSIS (L I M O U S I N E)
1GEEH90YX3U550013

THIS VEHICLE IS DEEMED ABANDONED AND WILL BE SOLD OR DISPOSED OF IF NOT CLAIMED BY THE LEGAL OWNER OR LIENHOLDER BY OCTOBER 18, 2016 *7564
770/554-7960

3148

**NOTICE
PUBLIC AUCTION**

The Walton County Board of Commissioners will sell miscellaneous vehicles and equipment Online Auction at GovDeals.com starting Monday, October 10, 2016. You may use the GovDeals.com link on the Walton County website www.waltoncountyg.gov to view the auctions and details. Any other questions concerning the auctions, please call the Walton County Public Works Department at (770) 267-1350.

3155

22. 1996 OKEE 1J4GZ7E
23. 20 NEON 1B3ES5E
24. 1996 1500 1B7HF1E (DERELI
25. BOB GM73170
26. 1996 JH4UA3E
27. 2001 US 1FAPP5E
28. 201 MURRA JN8AZ08
29. 200 PLOREF 1FMZU6; (DERLIC
30. 2007 1D7HA1E
31. 2004 PACIFIC 2C4GM6I
32. 200 GRAND 1G2NF12
33. 19 MOBILI 1G3HN5E
34. 2000 SEBRINI 3C3EL55
35. 2000 ENNA 4T3Z13C
36. 2000 1G8ZN12 (TITLE)
37. 1997 CORD 1HGCD5I (TITLE)
38. 2006 STAR 2FNZA51 (TITLE)
39. 2003 1G8AG5E (TITLE)
40. HON ER YELL 478TE24I
41. 1983 S-10 1GCCS14 (DERLIC
Econoston Public Auc am on Tu ber 25, 20 stor 2525 Loganville Phone 77

EXHIBIT B

The Oconee Enterprise

YOUR COMMUNITY NEWSPAPER SINCE 1884

P. O. BOX 535, WATKINSVILLE, GA 30677 • (706) 769-5175

AFFIDAVIT OF PUBLICATION

I, Vinnie Williams, do solemnly swear that I am Publisher of The Oconee Enterprise, the official legal organ for Oconee County, Georgia, and that from my publication, the attached legal notice was published only in the regular edition of said publication on the following dates:

Sept. 29 and Oct. 6, 2016

This 10 day of October, 2016

Vinnie Williams

Vinnie Williams
Publisher

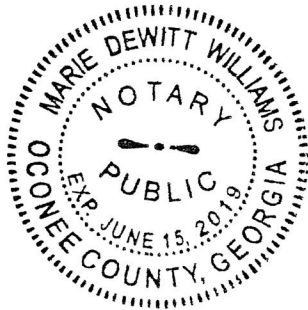
Sworn to and subscribed before me

This 10 day of October, 2016

Marie DeWitt Williams

NOTARY PUBLIC

My Commission Expires 6/15/19



(over)

NOTICE TO THE PUBLIC

YOU ARE HEREBY NOTIFIED that there will be heard before the Judge presiding in the Superior Court of Walton County, Georgia, on the 11th day of October, 2016, at 9:30 A.M., at the courthouse in Monroe, Georgia, the case of the STATE OF GEORGIA v. WALTON COUNTY WATER AND SEWERAGE AUTHORITY and OCONEE COUNTY, GEORGIA, Civil Action File No. 16-1733-3, in the Superior Court of Walton County, the same being a proceeding to confirm and validate the 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"). The Series 2016 Bonds are being issued by the Walton County Water and Sewerage Authority (the "Issuer") for the purpose of (i) refunding all of the Issuer's outstanding Revenue Bonds (Oconee-Hard Labor Creek Reservoir Project), Series 2008 (the "Refunded Bonds"), (ii) financing or refinancing a portion of the cost of acquiring, constructing, installing and equipping storage and transmission facilities related to the Hard Labor Creek reservoir and (iii) paying certain expenses incident to the issuance of the Series 2016 Bonds, so as to effect a savings on the debt service requirements of the Issuer's now outstanding bonded indebtedness. In such proceeding, the Court will also pass upon the validity and enforceability of the Third Supplement to Intergovernmental Contract-Reservoir Project, dated as of October 1, 2016, between the Issuer and Oconee County, Georgia ("Oconee County"), pursuant to which Oconee County has agreed, in consideration of the provision of facilities and services by the Issuer to Oconee County, to make payments to the Issuer which the Issuer will apply to provide for the payment of the principal of and interest on the Series 2016 Bonds when due.

YOU ARE FURTHER NOTIFIED THAT THE ISSUER WILL NOT CONDUCT ANY PERFORMANCE AUDIT OR PERFORMANCE REVIEW WITH RESPECT TO THE SERIES 2016 BONDS AS SUCH TERMS ARE DESCRIBED IN SECTION 36-82-100, OFFICIAL CODE OF GEORGIA ANNOTATED.

Any resident of Walton County, Georgia or Oconee County, Georgia, or any other person wherever residing who has a right to object, may become a party to these proceedings.

This the 21st day of September, 2016.

/s/Kathy K. Trost
CLERK, SUPERIOR COURT,
WALTON COUNTY, GEORGIA

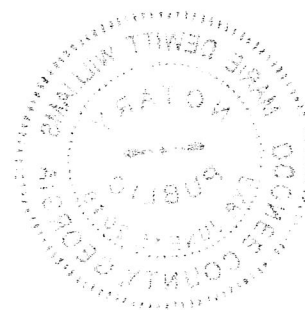


EXHIBIT C

WALTON COUNTY AUTHORIZING RESOLUTION

RESOLUTION OF THE BOARD OF COMMISSIONERS OF WALTON COUNTY, GEORGIA AUTHORIZING THE APPROVAL OF THE ISSUANCE OF REVENUE BONDS BY THE WALTON COUNTY WATER AND SEWERAGE AUTHORITY AND THE APPROVAL OF THE EXECUTION OF A THIRD SUPPLEMENT TO AN INTERGOVERNMENTAL CONTRACT BY THE WALTON COUNTY WATER AND SEWERAGE AUTHORITY WITH OCONEE COUNTY, GEORGIA RELATING TO THE HARD LABOR CREEK RESERVOIR PROJECT; AND FOR OTHER PURPOSES.

WHEREAS, pursuant to a resolution of the Walton County Water and Sewerage Authority (the "Authority"), adopted on September 25, 2007, as supplemented on March 25, 2008, the Authority issued its 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, installation 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, 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 2008 Bonds are currently outstanding in the aggregate principal amount of \$10,440,000; and

WHEREAS, Oconee County, Georgia ("Oconee County") and the Authority have previously entered into an Intergovernmental Contract - 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"), and as supplemented by a Second Supplement to Intergovernmental Contract-Reservoir Project, dated July 1, 2015 (the "Second Supplement to Contract"), pursuant to which the Authority agreed to provide, or cause to be provided, certain water and sewerage facilities and services to Oconee County, and Oconee County 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 2008 Bonds and the Series 2015 Bonds, and which amounts will be pledged to secure the payment of the outstanding Series 2008 Bonds and the 2015 Bonds; and

WHEREAS, pursuant to a resolution of the Board of Commissioners of Walton County, Georgia (the "Board of Commissioners"), adopted on October 2, 2007, the Board consented to and approved the Authority proceeding with the issuance of the Series 2008 Bonds and the

execution, delivery and performance of the Original Intergovernmental Contract and all documents and proceedings related thereto; and

WHEREAS, the Authority and the County propose to 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

WHEREAS, the Authority, proposes to issue its 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 all of the outstanding Series 2008 Bonds (the "Refunded Bonds"), in order to achieve interest cost savings, (ii) finance or refinance the costs of acquiring, constructing, installing and equipping the 2016 Reservoir Project, and (iii) pay the costs of issuing the Series 2016 Bonds; and

WHEREAS, the Authority proposes to enter into a Third Supplement to Intergovernmental Contract-Reservoir Project, dated as of October 1, 2016 (the "Third Supplement to Contract") to identify the Series 2016 Bonds as secured by the Original Intergovernmental Contract with all the rights, benefits and securities granted thereunder and to provide for other related matters; and

WHEREAS, the Authority has recommended to Walton County, Georgia (the "County") that the County approve the issuance of the Series 2016 Bonds and the execution and delivery of the Third Supplement to Contract by the Authority; and

WHEREAS, after study and consideration of such recommendation, the County proposes to approve the Authority's issuance of the Series 2016 Bonds, the execution and delivery of the Third Supplement to Contract, and other related matters; and

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF WALTON COUNTY AS FOLLOWS:

Section 1. Consent to Authority Action Relating to Refunding of Refunded Bonds and 2016 Reservoir Project. The County hereby consents to and approves the Authority proceeding with the issuance of the Series 2016 Bonds and all documents and proceedings related thereto.

Section 2. Consent to Authority Entering Into Third Supplement to Contract. The County hereby consents to, and approves, the execution, delivery and performance of the Third Supplement to Contract by the Authority.

Section 3. Additional Actions. From and after the date of adoption of this resolution, the Chairman and Clerk or Assistant Clerk of the Board of Commissioners are hereby authorized and empowered to take such other actions and to execute for and on behalf of the County all such agreements, certificates, affidavits and other documents as may be necessary or desirable in connection with the effectuation of the matters and actions approved by, or contemplated by, this Resolution.

Section 4. Repealing Clause. All resolutions or parts thereof of the Board of Commissioners in conflict with the provisions herein contained are, to the extent of such conflict, hereby superseded and repealed.

Section 5. Effective Date. This Resolution shall take effect immediately upon its adoption.

Adopted this 13th day of September, 2016.



BOARD OF COMMISSIONERS OF WALTON
COUNTY

By: Herb W. Pettit
Chairman

Leticia J. Jaramila
Clerk

CLERK'S CERTIFICATE

I, the undersigned Clerk of the Board of Commissioners of Walton County, DO HEREBY CERTIFY that the foregoing pages of typewritten matters constitute a true and correct copy of a resolution of the Board of Commissioners of Walton County duly adopted on September 13, 2016, 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 appears of record in the Minute Book of the Board of Commissioners which is in my custody and control.

GIVEN under my hand and seal of Walton County, this 13th day of September, 2016.



Leta B. Jaemus

Clerk, Board of Commissioners of Walton County

VERIFICATION

STATE OF GEORGIA

COUNTY OF WALTON

Personally appeared before the undersigned officer authorized to administer oaths in and for such State and County, the undersigned Chairman of the Walton County Water and Sewerage Authority, who on oath deposes and says that he has authority to make this affidavit; that he has read the above and foregoing answer of the Walton County Water and Sewerage Authority relating to (i) the issuance of the \$9,465,000 in aggregate principal amount of Walton County Water and Sewerage Authority Revenue Bonds (Oconee-Hard Labor Creek Reservoir Project), Series 2016, (ii) the Bond Resolution, (iii) the Walton County Authorizing Resolution, and (iv) the form of the Third Supplement to Contract and the form of the Third Supplemental Indenture to be delivered in connection therewith, and that he has knowledge of the facts therein contained and the same are true and correct.

WALTON COUNTY WATER AND
SEWERAGE AUTHORITY


Chairman

(SEAL)

Sworn to and subscribed before me this
10th day of October, 2016.


Notary Public

My commission expires: 5/20/18

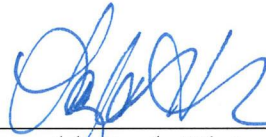
(NOTARIAL SEAL)



ACKNOWLEDGMENT OF DISTRICT ATTORNEY

Due and legal service of the within and foregoing answer of the defendant, Walton County Water and Sewerage Authority, together with copies of all the exhibits attached thereto, is hereby acknowledged; copy received; process and all other and further service is hereby waived.

This 10th day of October, 2016.



Honorable Layla Hinton Zon,
District Attorney,
Alcovy Judicial Circuit

IN THE SUPERIOR COURT OF WALTON COUNTY

STATE OF GEORGIA

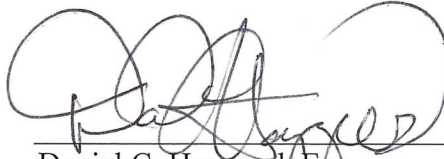
STATE OF GEORGIA,)
)
 Plaintiff,)
)
 vs.)
)
 WALTON COUNTY WATER AND)
 SEWERAGE AUTHORITY and)
 OCONEE COUNTY, GEORGIA,)
)
 Defendants.)

CIVIL ACTION FILE NO. 16-1733-3
 BOND VALIDATION

FILED IN OFFICE
 CLERK SUPERIOR COURT
 WALTON COUNTY GEORGIA
 2016 OCT 10 PM 4:51
 KATHY K. TROST, CLERK

ACKNOWLEDGMENT OF SERVICE BY
OCONEE COUNTY, GEORGIA

Due and legal service of the foregoing petition and complaint with exhibits and order dated September 21, 2016, is hereby acknowledged; copy received; process and any and all other notice and service waived this 21th day of October, 2016.



 Daniel C. Haygood, Esq.,
 Counsel for Oconee County, Georgia

Address: Law Offices of Daniel C. Haygood
 Two South Main Street, Suite C
 Watkinsville, Georgia 30677

Telephone: (706) 310-0001
 State Bar No: 340525

IN THE SUPERIOR COURT OF WALTON COUNTY

STATE OF GEORGIA

STATE OF GEORGIA,)
)
 Plaintiff,)
)
 vs.)
)
 WALTON COUNTY WATER AND)
 SEWERAGE AUTHORITY and)
 OCONEE COUNTY, GEORGIA,)
)
 Defendants.)

CIVIL ACTION FILE NO. 16-1733-3
 BOND VALIDATION

FILED IN OFFICE
 CLERK SUPERIOR COURT
 WALTON COUNTY GEORGIA
 2016 OCT 10 PM 4:52
 KATHY K. TROST, CLERK

ANSWER OF OCONEE COUNTY, GEORGIA

COMES NOW the defendant, OCONEE COUNTY, GEORGIA, a defendant named in the above titled case, and makes and files this answer to the petition and complaint for bond validation and order served upon it, and says:

1.

This defendant, Oconee County, Georgia (“Oconee County”), admits each and every allegation contained in each and every paragraph of the petition and complaint of the District Attorney filed against this defendant in this cause.

2.

This defendant Oconee County further shows that due and legal service was made upon it in order to show cause, if any exists, why the \$9,465,000 Walton County Water and Sewerage Authority Revenue Bonds (Oconee-Hard Labor Creek Reservoir Project), Series 2016 (the “Series 2016 Bonds”), and more fully described in paragraphs 11 and 12 of the petition and complaint, should not be confirmed and validated.

3.

This defendant Oconee County further shows that it is a political subdivision of the State of Georgia legally created and validly existing.

4.

This defendant Oconee County further shows that under the Constitution and laws of the State of Georgia, including Article IX, Section III, Paragraph I of the Constitution of the State of Georgia, it has the power to contract with the defendant Walton County Water and Sewerage Authority (the “Issuer”) for any period not exceeding 50 years for the provision of facilities or services, including the provision of water and sewerage services.

5.

This defendant Oconee County further shows that it has entered into an Intergovernmental Reservoir and Water Supply and Treatment Agreement, dated as of September 1, 2007 (the “Water Supply Agreement”), with the Issuer and Walton County Georgia, pursuant to which this defendant Oconee County agreed, among other things, to pay a portion of the costs to acquire, construct, install and equip a reservoir and related treatment and distribution facilities in Walton County, Georgia on Hard Labor Creek (the “Reservoir Project”) and in consideration thereof, has certain rights with respect to the Reservoir Project and a portion of the output therefrom, and the Water Supply Agreement constitutes the legal, valid, binding and enforceable obligation of this defendant Oconee County, except that the enforceability thereof may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting the enforcement of creditors’ rights generally and principles of equity applicable to the availability of specific performance or other equitable relief.

6.

This defendant Oconee County further shows that it has entered into an Intergovernmental Contract – Hard Labor Creek Reservoir Project, dated as of October 1, 2007 (the “Original Contract”), as amended by a First Supplement to Intergovernmental Contract-Reservoir Project, dated as of April 1, 2008 (the “First Supplement to Contract”), and as amended by a Second Supplement to Intergovernmental Contract-Reservoir Project, dated as of July 1, 2015 (the “Second Supplement to Contract”), with the Issuer, pursuant to which the Issuer has agreed, among other things, to provide the Reservoir Project, the 2016 Reservoir Project (as defined in the petition and complaint) and other facilities, services and output to this defendant Oconee County, and this defendant Oconee County has agreed to make payments to the Issuer, at times and in amounts sufficient to enable the Issuer to provide for the payment of principal of and interest on certain outstanding indebtedness in connection therewith as the same become due and payable.

7.

This defendant Oconee County further shows that the validity and enforceability of the Water Supply Agreement and the Original Contract have been adjudged previously by the order of this Court dated the 6th day of November, 2007, in Civil Action File No. 07-3053-4.

8.

This defendant Oconee County further shows that it is has been duly authorized by a resolution of the Board of Commissioners of Oconee County, adopted on September 14, 2016, to enter into the Third Supplement to Intergovernmental Contract-Reservoir Project, dated as of October 1, 2016, by and between the Issuer and this defendant Oconee County (the “Third Supplemental to Contract” and, together with the Original Contract, the First Supplement to

Contract, and the Second Supplement to Contract, the “Contract”), which supplements the Original Contract, as supplemented by the First Supplement to Contract and the Second Supplement to Contract, pursuant to which the defendant Issuer agrees to provide the Reservoir Project and make water available therefrom to this defendant Oconee County, and this defendant Oconee County, in consideration of the provision of such facilities and services to this defendant Oconee County, has agreed to pay to the defendant Issuer amounts from time to time which the defendant Issuer will use to provide for the payment of the principal of and interest on the Series 2015 Bonds (as defined in the petition and complaint) and the Series 2016 Bonds when due.

9.

This defendant Oconee County further shows that the Series 2016 Bonds will have as security for the payment thereof, a pledge of moneys payable to the Issuer under the Contract.

10.

This defendant Oconee County further shows that the proceeds from the Series 2016 Bonds will be used and applied only for the purposes set forth in the Bond Resolution referred to in the petition and complaint.

11.

This defendant Oconee County further shows that the Third Supplement to Contract constitutes a legal, valid, binding and enforceable obligation of this defendant and the other parties thereto, except the enforceability thereof may be subject to (a) the exercise of judicial discretion according to general principles of equity; and (b) bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors’ rights heretofore or hereafter enacted to extent constitutionally applicable; and the assignment of the payments to be

received by the Issuer pursuant to the Contract to the holders of the Series 2016 Bonds, as security for the Series 2016 Bonds, is within the power and authority of the defendant Issuer under the Act (as defined in the petition and complaint) and the Revenue Bond Law (as defined in the petition and complaint).

12.

This defendant further shows that the refunding of the Refunded Bonds, the issuance of the Series 2016 Bonds and the security therefor are sound, feasible and reasonable.

13.

The Series 2016 Bonds will not constitute a debt or a general obligation or a pledge of the faith and credit of the State of Georgia, or any political subdivision of the State of Georgia, including this defendant Oconee County, but will constitute a limited obligation of the Issuer defendant and will be payable solely from the revenues assigned and pledged to the payment thereof. Neither the State of Georgia, nor any political subdivision of the State of Georgia, including this defendant Oconee County, shall be subject to any pecuniary liability thereon, nor shall the Series 2016 Bonds constitute a charge, lien or encumbrance upon any property of this defendant or said State or any other political subdivision of the State of Georgia, including this defendant Oconee County, other than the revenues assigned and pledged to the payment thereof. No owner of the Series 2016 Bonds shall ever have the right to compel the exercise of the taxing power of said State, nor any political subdivision of the State of Georgia, including this defendant Oconee County, to pay the same or the interest thereon.

14.

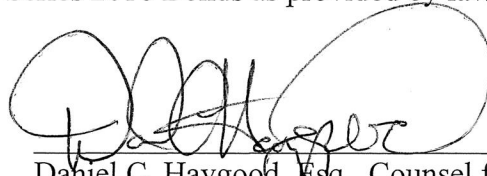
This defendant submits that it has in every way complied with the Constitution and laws of the State of Georgia governing the issuance of the Series 2016 Bonds and that all

actions taken pertaining thereto are legal in all respects, and prays an adjudication of all matters pertaining to the validity of the Series 2016 Bonds and the security therefor.

15.

This defendant, pursuant to the laws of the State of Georgia, particularly O.C.G.A. Section 9-11-52, waives the requirement that separate findings of fact and conclusions of law be entered in this action.

WHEREFORE, having answered fully, this defendant prays for judgment in favor of the issuance of the Series 2016 Bonds, a declaration of the validity and enforceability of the Contract and finding all necessary requirements of a matter of fact and of law have been met and the defendant was authorized and properly entered into the Contract and to assume the obligations represented thereby, and that an order be issued confirming and validating the security therefor and authorizing the Clerk of the Superior Court of Walton County, Georgia to execute the certificate of validation on the Series 2016 Bonds as provided by law.



Daniel C. Haygood, Esq., Counsel for
Oconee County, Georgia

Address: Law Offices of Daniel C. Haygood
Two South Main Street, Suite C
Watkinsville, Georgia 30677
Telephone: (706) 310-0001
State Bar No: 340525

VERIFICATION

STATE OF GEORGIA

OCONEE COUNTY

Personally appeared before the undersigned officer authorized to administer oaths in and for said State and County, the undersigned Chairman and Clerk of Oconee County, Georgia ("Oconee County"), who on oath depose and say that they are the elected, qualified and acting Chairman and Clerk of said Oconee County, and that they have read the above and foregoing answer relating to the issuance of \$9,465,000 in aggregate principal amount of Walton County Water and Sewerage Authority Revenue Bonds (Oconee-Hard Labor Creek Reservoir Project), Series 2016 and the facts contained therein are true and correct.

This 7th day of October, 2016.

Melvin Davis
Chairman

Grace Y. Bailey
Clerk



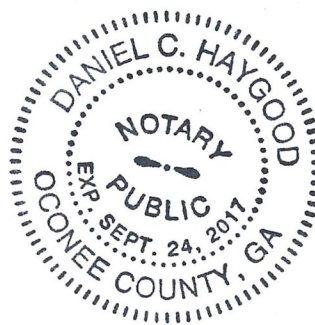
(SEAL)

Sworn to and subscribed before me this 7th day of October, 2016.

Daniel C. Haygood
Notary Public

My commission expires: _____

(NOTARIAL SEAL)



FILED IN OFFICE
CLERK SUPERIOR COURT
WALTON COUNTY GEORGIA
2016 OCT 10 PM 4:52
KATHY K. TROST, CLERK

ACKNOWLEDGMENT OF DISTRICT ATTORNEY

Due and legal service of the within and foregoing answer of the defendant, Oconee County, Georgia, together with copies of all the exhibits attached thereto, is hereby acknowledged; copy received; process and all other and further service is hereby waived.

This 10th day of October, 2016.



Honorable Layla Hinton Zon,
District Attorney,
Alcovy Judicial Circuit

FILED IN OFFICE
CLERK SUPERIOR COURT
WALTON COUNTY GEORGIA
2016 OCT 10 PM 4:52
KATHY K. TROST, CLERK

IN THE SUPERIOR COURT OF WALTON COUNTY

STATE OF GEORGIA

STATE OF GEORGIA,)
)
 Plaintiff,)
)
 vs.)
)
 WALTON COUNTY WATER AND)
 SEWERAGE AUTHORITY and)
 OCONEE COUNTY, GEORGIA,)
)
 Defendants.)

CIVIL ACTION FILE NO. 16-1733-3
 BOND VALIDATION

FILED IN OFFICE
 CLERK SUPERIOR COURT
 WALTON COUNTY GEORGIA
 2016 OCT 11 AM 9:49
 KATHY K. TROST, CLERK

VALIDATION ORDER

The above-entitled cause coming on for a hearing pursuant to the order of this Court heretofore granted, and it appearing from an examination and inspection of the proceedings concerning the issuance of the \$9,465,000 in aggregate principal amount of Walton County Water and Sewerage Authority Revenue Bonds (Oconee-Hard Labor Creek Reservoir Project), Series 2016 (the "Series 2016 Bonds") to be issued as described in the pleadings in this cause, that such proceedings are regular and in due form, and after inspecting the record and hearing the evidence on all matters bearing upon the Series 2016 Bonds, the right of the Walton County Water and Sewerage Authority (the "Issuer") to issue the Series 2016 Bonds, and the security therefor; and

IT IS DETERMINED, DECLARED, ORDERED AND ADJUDGED, as a matter of fact and as a matter of law, that the defendants named in the petition and complaint of the District Attorney are proper party defendants and this Court has jurisdiction over the subject matter of this proceeding and the parties thereto; and

IT IS FURTHER DETERMINED, DECLARED, ORDERED AND ADJUDGED, as a matter of fact and as a matter of law, that the Act of the General Assembly of the State of Georgia (Ga. Laws 1972, p. 3623 *et seq.*), as amended from time to time (the “Act”), creating the defendant Issuer has been duly enacted and approved and is legal and valid in all respects, and all rights, powers, authorities and duties therein granted and imposed are legal in all respects, and pursuant thereto the Issuer was legally created as a public body corporate and politic, and has taken all proper and necessary steps required at this time in connection with the issuance of the Series 2016 Bonds; and

IT IS FURTHER DETERMINED, DECLARED, ORDERED AND ADJUDGED, as a matter of fact and as a matter of law, that the defendant Oconee County, Georgia (“Oconee County”) is a validly existing political subdivision of the State of Georgia, and that Oconee County has the power to provide water and sewerage facilities and services for the benefit of the citizens of Oconee County, and to acquire, construct, install, finance and operate facilities such as the Reservoir Project (as defined in the petition and complaint) and the 2016 Reservoir Project (as defined below); and

IT IS FURTHER DETERMINED, DECLARED, ORDERED AND ADJUDGED, as a matter of fact and as a matter of law, that the defendant Issuer has the right, power and authority by virtue of the Constitution and laws of the State of Georgia to adopt the resolution dated September 13, 2016 (the “Bond Resolution”), authorizing, among other things, the issuance of the Series 2016 Bonds and the execution and delivery of the Third Supplemental Indenture (as hereinafter defined) and the Third Supplement to Contract (as hereinafter defined), a certified copy of which Bond Resolution forms a part of the petition and complaint of the District Attorney in this cause; and

IT IS FURTHER DETERMINED, DECLARED, ORDERED AND ADJUDGED, as a matter of fact and as a matter of law, that the defendant Oconee County has the right, power and authority by virtue of the Constitution and laws of the State of Georgia to adopt the resolution dated September 14, 2016 (the “Oconee Resolution”), authorizing, among other things the execution and delivery of the Third Supplement to Contract (as hereinafter defined); and

IT IS FURTHER DETERMINED, DECLARED, ORDERED AND ADJUDGED, as a matter of fact and as a matter of law, that the defendant Oconee County and the defendant Issuer have the right, power and authority by virtue of Article IX of the Constitution of the State of Georgia to enter into the Contract (as hereinafter defined); and

IT IS FURTHER DETERMINED, DECLARED, ORDERED AND ADJUDGED, as a matter of fact and as a matter of law, that the Series 2016 Bonds are being issued for the purpose of (a) refunding all of the Issuer’s outstanding Revenue Bonds (Oconee-Hard Labor Creek Reservoir Project), Series 2008 (the “Refunded Bonds”), and (b) financing or refinancing 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 (c) financing the costs of issuance of the Series 2016 Bonds, and that such purposes are in furtherance of the public purposes for which the defendant Issuer was created, and the defendant Issuer is authorized to issue the Series 2016 Bonds for such purposes under the Act; and

IT IS FURTHER DETERMINED, DECLARED, ORDERED AND ADJUDGED, as a matter of fact and as a matter of law, that, the defendant Issuer and Regions Bank, as trustee (the “Trustee”), have duly entered into a Trust Indenture, dated April 1, 2008 (the “Original Indenture”), as supplemented by a First Supplemental Trust Indenture, dated as of April 1, 2008 (the “First Supplemental Indenture”), and as supplemented by a Second Supplemental Trust

Indenture, dated as of July 1, 2015 (the “Second Supplemental Indenture”), between the defendant Issuer and the Trustee; and

IT IS FURTHER DETERMINED, DECLARED, ORDERED AND ADJUDGED, as a matter of fact and as a matter of law, that, pursuant to the powers granted under the Constitution and the laws of the State of Georgia, including specifically the Act, the defendant Issuer has properly authorized the execution and delivery of a Third Supplemental Trust Indenture, dated as of October 1, 2016, between the Issuer and the Trustee, relating to the Series 2016 Bonds (the “Third Supplemental Indenture” and, together with the Original Indenture, First Supplemental Indenture, and the Second Supplemental Indenture, the “Indenture”), between the Issuer and the Trustee, in substantially the form presented to this Court, under the terms of which Indenture all right, title and interest of the defendant Issuer in the Trust Estate (as defined in the Indenture), including the payments under the Contract referred to herein, is assigned to the Trustee and pledged to the payment of the principal of and interest on the Issuer’s Refunding Revenue Bonds (Oconee-Hard Labor Creek Reservoir Project), Series 2015 (the “Series 2015 Bonds”) and the Series 2016 Bonds, and which Third Supplemental Indenture, when executed and delivered, will constitute the legal, valid, binding and enforceable obligation of the defendant Issuer, except that the enforceability thereof may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting the enforcement of creditors’ rights generally and principles of equity applicable to the availability of specific performance or other equitable relief; and

IT IS FURTHER DETERMINED, DECLARED, ORDERED AND ADJUDGED, as a matter of fact and as a matter of law, that defendant Issuer and defendant County have duly entered into an Intergovernmental Contract – Hard Labor Creek Reservoir Project, dated as of

October 1, 2007 (the “Original Contract”), as supplemented by the First Supplement to Intergovernmental Contract-Reservoir Project, dated as of April 1, 2008 (the “First Supplement to Contract”), and as supplemented by the Second Supplement to Intergovernmental Contract-Reservoir Project, dated as of July 1, 2015 (the “Second Supplement to Contract”); and

IT IS FURTHER DETERMINED, DECLARED, ORDERED AND ADJUDGED, as a matter of fact and as a matter of law, that prior to the issuance of the Series 2016 Bonds, the defendant Issuer and the defendant Oconee County will enter into a Third Supplement to Intergovernmental Contract-Reservoir Project, dated as of October 1, 2016 (the “Third Supplement to Contract” and, together with the Original Contract, the First Supplement to Contract, and the Second Supplement to Contract, the “Contract”), identifying such series of Series 2016 Bonds as bonds secured under the Contract, and the Contract will constitute the legal, valid, binding and enforceable obligation of the defendant Oconee County and the defendant Issuer, except that the enforceability thereof may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting the enforcement of creditors’ rights generally and principles of equity applicable to the availability of specific performance or other equitable relief; and

IT IS FURTHER DETERMINED, DECLARED, ORDERED AND ADJUDGED, as a matter of fact and as a matter of law, that pursuant to the terms of the Contract, the defendant Oconee County is obligated to pay to the defendant Issuer from time to time amounts which the defendant Issuer, under the Indenture, will assign as part of the Trust Estate under such Indenture for the payment of the principal of and interest on the outstanding Series 2015 Bonds and the Series 2016 Bonds when due, and which payments will be sufficient for such purpose; and

IT IS FURTHER DETERMINED, DECLARED, ORDERED AND ADJUDGED, as a matter of fact and as a matter of law, that the provisions of the Contract obligating the defendant Oconee County to levy an ad valorem tax on all taxable property in Oconee County, Georgia to make payments under the Contract constitute the legal, valid binding and enforceable obligation of the defendant Oconee County; and

IT IS FURTHER DETERMINED, DECLARED, ORDERED AND ADJUDGED, as a matter of fact and as a matter of law, that when issued, the Series 2016 Bonds will not constitute a debt or a general obligation or a pledge of the faith and credit of the State of Georgia or of any political subdivision thereof, including Oconee County, but will constitute limited obligations of the defendant Issuer payable solely from the Trust Estate assigned and pledged to the payment thereof; that neither the State of Georgia nor any political subdivision thereof shall be subject to any pecuniary liability thereon, nor shall any of the Series 2016 Bonds constitute a charge, lien or encumbrance upon any property of the defendant Issuer, such State or any municipal corporation or political subdivision thereof, including Oconee County, and that no owner of any of the Series 2016 Bonds shall ever have the right to compel the exercise of the taxing power of such State or any political subdivision thereof to pay the principal of or interest thereon; and

IT IS FURTHER DETERMINED, DECLARED, ORDERED AND ADJUDGED, as a matter of fact and as a matter of law, that the defendant Issuer is taking all proper and necessary steps to issue the Series 2016 Bonds and to use the proceeds of sale thereof for the lawful and legitimate purposes stated in the Bond Resolution, and all of the acts and doings of the defendant Issuer set forth in the pleadings are hereby ratified and confirmed; and

IT IS FURTHER DETERMINED, DECLARED, ORDERED AND ADJUDGED, as a matter of fact and as a matter of law, that the trustee, designated for the Series 2016 Bonds will take all proper and necessary steps under the laws of the State of Georgia and will be qualified under the laws of said State to accept and administer the trusts created by the Indenture in accordance with the terms thereof; and

IT IS FURTHER DETERMINED, DECLARED, ORDERED AND ADJUDGED, as a matter of fact and as a matter of law, that the pledge of and lien on the Trust Estate created and established under the Indenture shall be valid and binding against the defendant Issuer and against all parties having claims against the defendant Issuer whether such claims arise in contract, tort or otherwise and irrespective of whether such parties have notice thereof; and

IT IS FURTHER DETERMINED, DECLARED, ORDERED AND ADJUDGED, as a matter of fact and as a matter of law, that the undertakings referred to in the petition and complaint of the District Attorney, the refunding of the Refunded Bonds, the issuance of the Series 2016 Bonds and the security therefor are sound, reasonable and feasible; and

IT IS FURTHER DETERMINED, DECLARED, ORDERED AND ADJUDGED, as a matter of fact and as a matter of law, that the Series 2016 Bonds and the security therefor be, and the same are hereby in each and every respect, validated and confirmed, and the defendant Issuer is authorized and empowered to issue the Series 2016 Bonds under the Constitution and laws of the State of Georgia and the Indenture, and when so issued the same shall be the legal, valid and binding limited obligations of the defendant Issuer, secured by the Trust Estate pledged under the Indenture; and

IT IS FURTHER DETERMINED, DECLARED, ORDERED AND ADJUDGED, as a matter of fact and as a matter of law, that the parties to this proceeding have duly and

lawfully waived the requirement that separate findings of fact and conclusions of law be entered pursuant to O.C.G.A. § 9-11-52; and

IT IS FURTHER DETERMINED, DECLARED, ORDERED AND ADJUDGED, as a matter of fact and as a matter of law, that the Clerk of the Superior Court of Walton County, Georgia is authorized to execute the certificate of validation upon each of the Series 2016 Bonds and that the provisions of the Indenture regarding the issuance of the Series 2016 Bonds in exchange for other Series 2016 Bonds previously issued are lawful and proper and such Clerk is hereby authorized and directed to execute a certificate of validation upon each such Series 2016 Bond issued in exchange for a Series 2016 Bond previously issued upon the written request of the Trustee or the Issuer specifying that each such Series 2016 Bond is being issued in exchange for one of the Series 2016 Bonds issued and delivered to the initial purchasers thereof or one of the Series 2016 Bonds previously issued in exchange therefor.

Let the Issuer and Oconee County pay the cost of this proceeding from the proceeds of the sale of the Series 2016 Bonds.

This the 11 day of October, 2016.



JUDGE, SUPERIOR COURT,
WALTON COUNTY, GEORGIA

IN THE SUPERIOR COURT OF WALTON COUNTY

STATE OF GEORGIA

STATE OF GEORGIA,)	
)	
Plaintiff,)	CIVIL ACTION FILE NO. 16-1733-3
)	
vs.)	BOND VALIDATION
)	
WALTON COUNTY WATER AND)	
SEWERAGE AUTHORITY and)	
OCONEE COUNTY, GEORGIA,)	
)	
Defendants.)	

CLERK'S CERTIFICATE

The undersigned Clerk of the Superior Court of Walton County, Georgia, DOES HEREBY CERTIFY that she has compared the within and foregoing copy of the transcript of the proceeding for the confirmation and validation of the Walton County Water and Sewerage Authority Revenue Bonds (Oconee-Hard Labor Creek Reservoir Project), Series 2016 in an aggregate principal amount of not to exceed \$9,465,000 (the "Series 2016 Bonds"), including the petition and complaint and all exhibits, notices, orders and documents attached thereto, the answer of the Walton County Water and Sewerage Authority, the answer of Oconee County, Georgia and an order and final judgment of the Court dated October 11, 2016, the same constituting the entire file of the Clerk of the Court in said cause, there being no other matter of record other than the foregoing, with the original record thereof now remaining in this office, and the same is a true, correct and complete copy of and the whole of such original record, and that this Court is a Court of Record.

I FURTHER CERTIFY that no intervention or objection was raised or filed in connection with the validation of the Series 2016 Bonds referred to in such record and that that validation order has been entered.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the seal of such court this the 11th day of October, 2016.

Chief Deputy Karen B. David
CLERK, SUPERIOR COURT,
WALTON COUNTY, GEORGIA

