



Mayor/Council Meeting Agenda
Tuesday, September 17, 2024, 5:30 PM
Public Safety Complex, Municipal Court Room
701 Queen City Parkway, Gainesville, GA 30501
Mayor or Mayor Pro Tem Presides

INVOCATION:

PLEDGE OF ALLEGIANCE:

PRESENTATIONS / RECOGNITIONS:

- A. Proclamation: Gainesville Reads Day
- B. Proclamation: Constitution Week
- C. Human Resources Personnel Letter of Recognition

COUNCIL ANNOUNCEMENTS:

PUBLIC COMMENTS: (20 minutes maximum)

CONSENT AGENDA:

Appointments

- A. Airport Advisory Committee
 - Reappoint Casey Graybeal
 - Appoint Mike McGraw
- B. Historic Preservation Commission
 - Appoint Elizabeth Horton

Minutes

- A. August 15, 2024 Work Session
- B. August 20, 2024 Mayor/Council Meeting

Resolutions

- A. BR-2024-39 Tax Allocation District (TAD) Funding for 126 Bradford Street NE
- B. GR-2024-08 FY2025 Legacy Link Grant Application and Contract
- C. GR-2024-09 FY2026 Section 5307 Grant Application & Contract
- D. GR-2024-10 Georgia Transit Trust Fund Program (TTFP) 2025
- E. PR-2024-04 Update to Hall Area Transit Title VI Plan

RESOLUTION:

- A. Business Resolution 2024-40
Water and Sewerage Revenue Bonds, Series 2024

CITY MANAGER ISSUES:

CITY ATTORNEY ISSUES:

CITY CLERK ISSUES:

EXECUTIVE SESSION:

ADJOURNMENT:

Final: Friday, September 13, 2024, 12:35 PM



CITY OF GAINESVILLE

Mayor/Council Agenda Request

Item Created: August 29, 2024
Date Submitted: September 9, 2024
Final Approval Date: September 13, 2024
Presenter: Sam Couvillon
Item of Business: Proclamation: Gainesville Reads Day
Meeting Date: September 17, 2024

Purpose of Request:
To read a proclamation declaring Sept. 30, 2024 to be Gainesville Reads Day.

Facts & Issues / History & Background:

Department Recommendation:

Department Director:

If funding is involved, are funds approved within the current budget? No

Amount Requested: **Sources of Funds:**

Finance Comments:

Administrative Comments:

Attachments:

1. Proclamation: Gainesville Reads Day Revised



PROCLAMATION

- WHEREAS,** *Literacy is not just an education issue but an economic, workforce, and quality of life issue. It is also a predictor of future educational achievement, economic status, and lifelong health and well-being; and*
- WHEREAS,** *in 2023, 61% of Georgia rising fourth-graders did not read proficiently, and research shows that children who are proficient readers by the end of third grade are four times more likely to graduate from high school than their peers who are not reading on grade level; and*
- WHEREAS,** *The General Assembly recognized the importance of literacy skills with the passage of two bills in 2023: SB 211, that created the Georgia Council on Literacy, and HB 538, that requires comprehensive education reforms for reading instruction in the science of reading; and*
- WHEREAS,** *understanding that collaborative efforts and strategic partnerships must be undertaken to effectively address literacy issues, the Georgia Municipal Association (GMA) and its nonprofit organization, Georgia City Solutions, members of the Georgia General Assembly, and football champion now turned children's author, Malcolm Mitchell, partnered with the Georgia Council on Literacy to launch "Georgia Reads" at the 2024 GMA Annual Convention; and*
- WHEREAS,** *community involvement is essential to literacy improvements and "Georgia Reads" will include recognizing 10 community partnerships that have increased literacy in the past three to five years as Georgia Reads Communities; and*
- WHEREAS,** *September 30, 2024, marks a date when all Georgians are encouraged to create awareness about the importance of reading and encourage community partnerships to promote future literacy improvements; and*
- WHEREAS,** *together we can improve Georgia's economic vitality one book at a time; and*
- NOW, THEREFORE, BE IT RESOLVED,** *that I, W. Samuel Couvillon, Mayor and the Gainesville City Council, do hereby proclaim September 30, 2024 to be*

"GAINESVILLE READS DAY"

encouraging all residents, businesses, and community partners to help promote and elevate literacy as a community priority.

Presented this 17th day of September, 2024

W. Samuel Couvillon, Mayor
City of Gainesville



CITY OF GAINESVILLE

Mayor/Council Agenda Request

Item Created: June 17, 2024
Date Submitted: September 9, 2024
Final Approval Date: September 13, 2024
Presenter: Mayor Sam Couvillon
Item of Business: Proclamation: Constitution Week
Meeting Date: September 17, 2024

Purpose of Request:

To present a proclamation in celebration of the 237th Anniversary of the Constitution.

Facts & Issues / History & Background:

Attendees are as follows:

Terry Hughes, NSDAR, Colonel William Candler Chapter, Regent
Anne Stimson, Constitution Week Chair
Margaret Whalen, Constitution Week Committee
Jacquie Waldon, Constitution Week Committee
Mindy Florio
Sid Hughes
Jeff Whalen

Department Recommendation:

Department Director:

Bryan Lackey

If funding is involved, are funds approved within the current budget? No

Amount Requested:

Sources of Funds:

Finance Comments:

Administrative Comments:

Attachments:

1. Proclamation: Constitution Week - 2024



PROCLAMATION

WHEREAS, *in 1955 the President General of the Daughters of the American Revolution, Gertrude S. Carraway, adopted a project to promote the observance of the U.S. Constitution with a memorial week beginning on the anniversary of the signing of this document, September 17th; and*

WHEREAS, *Constitution Week was officially declared by President Eisenhower on August 2, 1956, the culmination of a proposal the Daughters of the American Revolution sent through Senator William F. Knowland of California; and*

WHEREAS, *locally, the Colonel William Candler Chapter of the National Daughters of the American Revolution will proudly celebrate and promote the two hundred and thirty seventh Anniversary of the signing of the Constitution of the United States; and*

WHEREAS, *this 237th Anniversary of the Constitution provides a historic opportunity for all Americans to reflect on the rights and privileges of citizenship incorporated within its framework, and to learn about and celebrate the achievements of our founding forefathers and foremothers throughout the year.*

NOW, THEREFORE, BE IT RESOLVED, *that I, W. Samuel Couvillon, Mayor and the Gainesville City Council, do hereby proclaim September 17th – 23rd, 2024 to be*

“Constitution Week”

rededicating ourselves to our country and the support and defense of our Constitution and to a greater involvement in responsible citizenship.

Presented this 17th day of September, 2024

W. Samuel Couvillon, Mayor
City of Gainesville



CITY OF GAINESVILLE

Mayor/Council Agenda Request

Item Created: September 12, 2024
Date Submitted: September 12, 2024
Final Approval Date: September 13, 2024
Presenter: Sam Couvillon
Item of Business: Human Resources Personnel Letter of Recognition
Meeting Date: September 17, 2024

Purpose of Request:

To recognize Human Resources Personnel for their hard work to ensure the City of Gainesville is staffed with high quality employees, fostering relationships, and keeping employees informed about policies, working conditions, compensation and benefits.

Facts & Issues / History & Background:

Human Resources Personnel:

Vikki Fox-Wilson
Tiffany Hill
Kim Leon
April Trammell
LaDana Bruce
Sara Wilson-Britt
Russ Gregson

Department Recommendation:

Department Director:

Janeann Allison

If funding is involved, are funds approved within the current budget? No

Amount Requested:

Sources of Funds:

Finance Comments:

Administrative Comments:

Attachments:

1. Human Resources Personnel Letter of Recognition

CITY OF GAINESVILLE

MAYOR AND COUNCIL

Sam Couvillon
Mayor

C. Danny Dunagan, Jr.
Ward One

Zack Thompson
Ward Two

Barbara B. Brooks
Ward Three

Abigail Guzman
Ward Four

Juli Hayes
Ward Five

City of Gainesville Human Resources Department
300 Henry Ward Way, Suite 302
Gainesville, Georgia 30501

RE: Gainesville Human Resources Personnel Recognition

The City of Gainesville Human Resources Department works hard each day to ensure the City of Gainesville is staffed with high quality employees and that those employees have a good environment in which to work.

The Human Resource professionals are instrumental in recruiting, selecting, resourcing, and retaining qualified diverse candidates for employment; developing equitable compensation and benefits structures; and preserving the integrity of the organization by ensuring compliance with state and federal laws.

The Human Resources Department plays a key role in fostering satisfaction and loyalty among employees by allowing for professional growth and development and keeping employees informed about policies, working conditions, compensation and benefits.

The City of Gainesville Human Resource professionals serve as leaders, business strategists, problem-solvers, talent developers, and advocates, while displaying integrity and dedication.

On behalf of the City of Gainesville, I, W. Samuel Couvillon, Mayor and the Gainesville City Council, hereby recognize the vital services they perform, their dedication and their relentless contributions to the City of Gainesville.

Recognized this 17th day of September, 2024

W. Samuel Couvillon, Mayor
City of Gainesville



CITY OF GAINESVILLE

Mayor/Council Agenda Request

Item Created: September 12, 2024
Date Submitted: September 12, 2024
Final Approval Date: September 12, 2024
Presenter: Sam Couvillon
Item of Business: Airport Advisory Committee

- Reappoint Casey Graybeal
- Appoint Mike McGraw

Meeting Date: September 17, 2024

Purpose of Request:

The purpose of this request is to address the expired term positions.

Facts & Issues / History & Background:

The AAC follows the guidelines of the City Charter and the Code of Ordinances as well as the requirements set forth in Business Resolution 2011-43. Members serve three-year terms. Casey Graybeal has confirmed a willingness to serve another term. Mike McGraw has confirmed a willingness to serve and submitted a volunteer application. The outstanding debt verification process has been completed with no concerns.

Department Recommendation:

To approve the nominations of Casey Graybeal and Mike McGraw as submitted by the Mayor at the September 12, 2024 Work Session.

Department Director:

Sam Couvillon

If funding is involved, are funds approved within the current budget? No

Amount Requested:

Sources of Funds:

Finance Comments:

Administrative Comments:

Attachments:

1. AAC Members - Local Appointments List_09062024050434
2. 2024 AAC Attendance Report Aug 2022 - Aug 2024

Airport Advisory Committee

The purpose of this committee is to advise on issues relating to the Lee Gilmer Memorial Airport. It also addresses matters previously addressed by the Hangar Appeals Board including but not limited to reviewing petitions regarding actions taken by management against individuals concerning leases, rules and regulations and policy decisions/interpretations. This committee consists of six members which includes a representative from each ward, plus one representative recommended by Hall County but appointed by Council. There is one ex-officio member. The term of office is three years. This committee was reaffirmed by Business Resolution 2011-43. The primary contact is the Public Works Director and the Airport Manager.

Term of Office: 3 years

Meetings: [See Meetings Calendar](#)

	Name:	Date Appointed:	Current Term Expiration Date:	
Airport Manager / Chair	Lisa Poole	01/01/2021	12/31/2050	FILLED
Post - Ward 1	Casey Graybeal	09/21/2021	09/04/2024	FILLED
Post - Ward 2	Rodney Smith	09/21/2021	09/04/2024	FILLED
Post - Ward 3	John Haynes	06/17/2023	06/20/2026	FILLED
Post - Ward 4	Allen Nivens	05/20/2023	06/20/2026	FILLED
Post - Ward 5	Alvin Lee Kemp, Jr.	06/20/2023	06/20/2026	FILLED

Hall County Representative	Alan Wayne	06/06/2024	06/05/2027	FILLED
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Ex-Officio	Juli Hayes	01/17/2024	01/07/2025	FILLED
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Ex-Officio	Barbara Brooks	01/17/2024	01/07/2025	FILLED
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AIRPORT ADVISORY COMMITTEE ATTENDANCE REPORT

MEETING			BOARD MEMBER							
	DATE	TYPE	GRAYBEAL	SMITH	HAYNES	NIVENS	KEMP	WAYNE	HAYES	BROOKS
1	11/8/2022	R	0	0	1	0	1	1	1	1
2	5/9/2023	R	1	1	0	1	1	0	1	1
3	11/14/2023	R	1	1	1	1	1	0	1	1
4	5/14/2024	R	1	0	0	1	0	1	1	0
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28										
	TOTAL	4	3	2	2	3	3	2	4	3
	ATTENDANCE %		75%	50%	50%	75%	75%	50%	100%	75%

TYPE MEETING:

ATTENDANCE:

R =

0 =

Regular Scheduled Meeting

Absent

C = Called Meeting

1 = Attended

NOTES:

Submitted By:

Lisa Poole

Recording Secretary

Date:

8/7/2024



CITY OF GAINESVILLE

Mayor/Council Agenda Request

Item Created: September 12, 2024
Date Submitted: September 12, 2024
Final Approval Date: September 12, 2024
Presenter: Sam Couvillon
Item of Business: Historic Preservation Commission

- Appoint Elizabeth Horton

Meeting Date: September 17, 2024

Purpose of Request:

The purpose of this request is to address the vacant expired term position previously held by Jack Bailey.

Facts & Issues / History & Background:

The HPC follows the guidelines set forth in the City Charter, Code of Ordinances and the Unified Land Development Code. Members serve a three-year term.

Elizabeth Horton has confirmed a willingness to serve on the board and has submitted a completed volunteer form. The debt verification process was completed with no concerns.

Department Recommendation:

To approve the nomination of Elizabeth Horton as submitted by the Mayor at the September 12, 2024 Work Session.

Department Director:

Sam Couvillon

If funding is involved, are funds approved within the current budget? No

Amount Requested:

Sources of Funds:

Finance Comments:

Administrative Comments:

Attachments:

1. HPC Members

Historic Preservation Commission (HPC)

Overview

The Historic Preservation Commission (HPC) was created when the Gainesville City Council adopted a historic preservation ordinance in October 2001 and implemented it in June 2002. The HPC consists of five voting members who are residents of the City; demonstrated special interest, experience or education in history, architecture or the preservation of historic resources or professionals in such fields; and are appointed by the City Council for staggered three-year terms. One Council Member is appointed each year to serve as an ex-officio. All terms expire on June 30 of their respective year. Additional information about the HPC, including its duties and responsibilities, is outlined in Chapter 9-21-2 of the [Unified Land Development Code](#). The HPC makes recommendations to the City Council on requests for [local designation](#). The HPC has final action on all requests for [Certificates of Appropriateness](#). The primary contact is the Housing and Special Projects Manager

Term of Office: 3 years

Meetings

- 5:30 p.m.
- 1st Monday of every month (unless falls on a scheduled City holiday)
- Community and Economic Development Building
1st-Floor/Plan Review Conference Room
311 Henry Ward Way
Gainesville, GA 30501
- [Meetings Calendar](#)

Contact Information

For additional information on how to submit an [application for designation or a certificate of appropriateness](#), or to obtain a copy of the design guidelines, [contact Housing & Special Projects Manager Jessica Tullar](#) or call 770-531-6574. View HPC page [here](#).

	Name:	Date Appointed:	Current Term Expiration Date:	
Post - Ward 1	Dick Bachman	08/16/2022	06/30/2025	FILLED
Post - Ward 2	Brad Abernathy	10/18/2023	06/30/2026	FILLED

Post - Ward 3	Ruth Bruner	07/01/2023	06/30/2026	FILLED
Post - Ward 4	Cathy Day	08/16/2022	06/30/2025	FILLED
Post - Ward 5	Vacant Seat	08/23/2022	06/30/2024	FILLED
Ex-Officio	C. Danny Dunagan, Jr.	01/17/2024	01/07/2025	FILLED



CITY OF GAINESVILLE

Mayor/Council Agenda Request

Item Created: April 5, 2024
Date Submitted: September 11, 2024
Final Approval Date: September 13, 2024
Presenter: Denise Jordan, City Clerk
Item of Business: August 15, 2024 Work Session
Meeting Date: September 17, 2024

Purpose of Request:

The purpose of this request is to allow the governing body to approve the minutes from the referenced meeting.

Facts & Issues / History & Background:

Draft minutes were distributed to the governing body, City Manager, City Attorney and Department Directors for comments/corrections.

Department Recommendation:

Approve the minutes accepting edits as presented.

Department Director:

Bryan Lackey

If funding is involved, are funds approved within the current budget? No

Amount Requested:

Sources of Funds:

Finance Comments:

Administrative Comments:

Attachments:

None



CITY OF GAINESVILLE

Mayor/Council Agenda Request

Item Created: April 5, 2024
Date Submitted: September 12, 2024
Final Approval Date: September 12, 2024
Presenter: Denise Jordan, City Clerk
Item of Business: August 20, 2024 Mayor/Council Meeting
Meeting Date: September 17, 2024

Purpose of Request:

The purpose of this request is to allow the governing body to approve the minutes from the referenced meeting.

Facts & Issues / History & Background:

Draft minutes were distributed to the governing body, City Manager, City Attorney and Department Directors for comments/corrections.

Department Recommendation:

Approve the minutes accepting edits as presented.

Department Director:

Bryan Lackey

If funding is involved, are funds approved within the current budget? No

Amount Requested:

Sources of Funds:

Finance Comments:

Administrative Comments:

Attachments:

None



CITY OF GAINESVILLE

Mayor/Council Agenda Request

Item Created: September 12, 2024
Date Submitted: September 12, 2024
Final Approval Date: September 12, 2024
Presenter: Bryan Lackey, City Manager
Item of Business: BR-2024-39 Tax Allocation District (TAD) Funding for 126 Bradford Street NE
Meeting Date: September 17, 2024

Purpose of Request:

To present a recommendation from the TAD Advisory Committee Meeting held on 8/13/24 for consideration by Council regarding the Bradford Building Project.

Facts & Issues / History & Background:

The TAD Advisory Committee met on 8/13/24 to hear this project.

Department Recommendation:

Adopt the resolution.

Department Director:

Bryan Lackey

If funding is involved, are funds approved within the current budget? No

Amount Requested:

Sources of Funds: TAD

Finance Comments:

Administrative Comments:

Attachments:

1. BR-2024-39 TAD Funding for 126 Bradford Street NE
2. Presentation for WS 9.12.24

RESOLUTION BR-2024-39

TAX ALLOCATION DISTRICT (TAD) FUNDING FOR 126 BRADFORD STREET NE

WHEREAS, the governing body of the City of Gainesville is committed to the success of the redevelopment of Midtown Gainesville into a live, work and play area; and

WHEREAS, on October 17, 2006 the governing body of the City of Gainesville adopted the Midtown Redevelopment Plan and created Tax Allocation District (TAD) Number One – Midtown pursuant to the Georgia Redevelopment Powers Law (O.C.G.A. § 36-44-1 et seq.) as the next steps in the City’s redevelopment effort to reinvigorate Midtown; and

WHEREAS, the City of Gainesville will only consider applications for TAD financing for purposes or uses that are consistent with the definition of “redevelopment” as defined in the Georgia Redevelopment Powers Law [O.C.G.A. § 36-44-3(5)], with said eligible purposes or uses including public works and utilities, telecommunications infrastructure, street/streetscape improvements, parks and open space amenities, transit facilities and public parking structures, pedestrian amenities and safety improvements, and site preparation; and

WHEREAS, upon approval of a request for TAD funding, a TAD Development Agreement between the applicant/developer and the City shall be executed, and shall specify the eligible expenses, what method of funding will be utilized (i.e., pay-as-you-go, bank financing, bond financing or other method), and any special conditions and performance standards of the developer; and

WHEREAS, an application involving the construction of a five-story 40,000 square foot building at 126 Bradford Street NE to include restaurant use on the first floor and office space above, hereinafter “project,” was reviewed by the TAD Advisory Committee and determined to achieve the TAD criteria; and

WHEREAS, the TAD Advisory Committee unanimously recommended approval of the TAD funding request of up to \$1,874,500 for the following uses with the following conditions and payment schedule:

Use relating to the project:

- | | |
|----------------------------|--|
| • Demolition | • Exterior Brick Full Height & Structural Upgrades |
| • Sidewalks | • Storm Upgrades and Alleyway |
| • Exterior Doors & Windows | • Green Roof |
| • Exterior Awnings | |
| • Exterior Metal Panels | |

Conditions:

- Permitted project must be in substantial conformance with the architectural renderings and budget submitted with the TAD application.

Payment Schedule:

- Up to \$1,874,500.00 in TAD funds shall be made payable upon submittal of paid invoices for the purchase of and/or labor to complete or install the items specified under “Use” above, relating to the project, based upon the schedule and conditions listed below:

RESOLUTION BR-2024-39

**TAX ALLOCATION DISTRICT (TAD) FUNDING FOR
126 BRADFORD STREET NE**

- Reimbursement will be distributed on an annual basis based on the TAD increment generated by the project for that calendar year.
- Reimbursement will not begin until the calendar year after the calendar year in which the Certificate of Occupancy is obtained for the first-floor restaurant facing Bradford Street and 50% of the office space.
- The total period of reimbursement of up to a maximum of \$1,874,500.00 shall not exceed beyond December 31, 2039, which period shall commence upon the first calendar year in which any reimbursement is paid to the applicant.

NOW, THEREFORE, BE IT RESOLVED THAT the governing body for the City of Gainesville hereby approves the TAD application of up to \$1,874,500.00 for the project.

BE IT FURTHER RESOLVED THAT that the governing body for the City of Gainesville hereby approves funding for the redevelopment improvement from the increment generated by the project and that is deposited into the Tax Allocation District Fund.

BE IT FURTHER RESOLVED THAT the governing body authorizes the City Manager and City Attorney to prepare and execute a TAD Development Agreement to effectuate the terms and conditions of the funding, use and payment schedule.

Adopted this ____ day of _____, 2024.

W. Samuel Couvillon, Mayor

This is to certify that I am City Clerk of the City of Gainesville. As such, I keep its official records, including its minutes. In that capacity, my signature below certifies this resolution was adopted as stated and will be recorded in the official minutes.

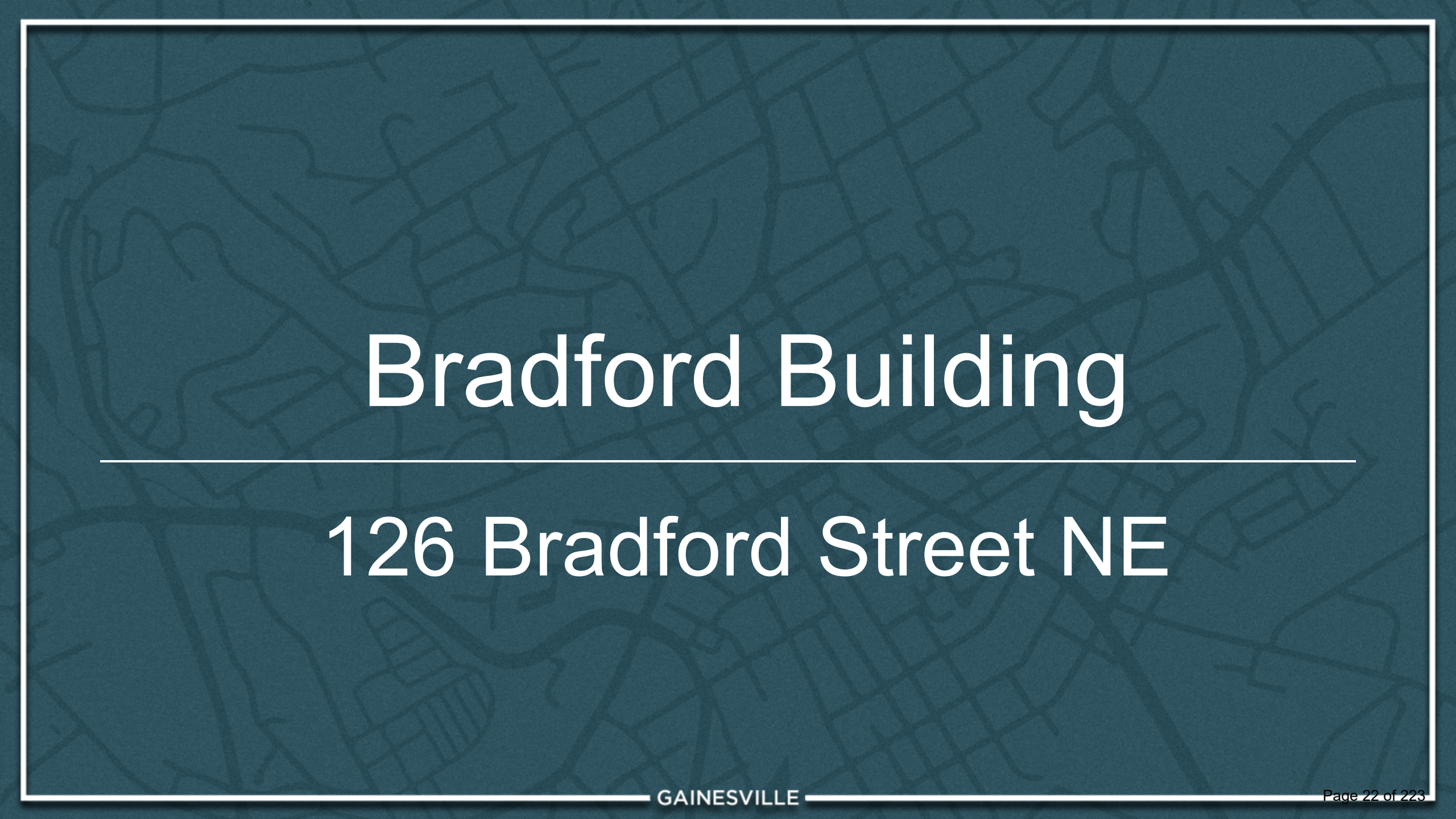
ATTEST:

Alisa Grayson, Deputy City Clerk



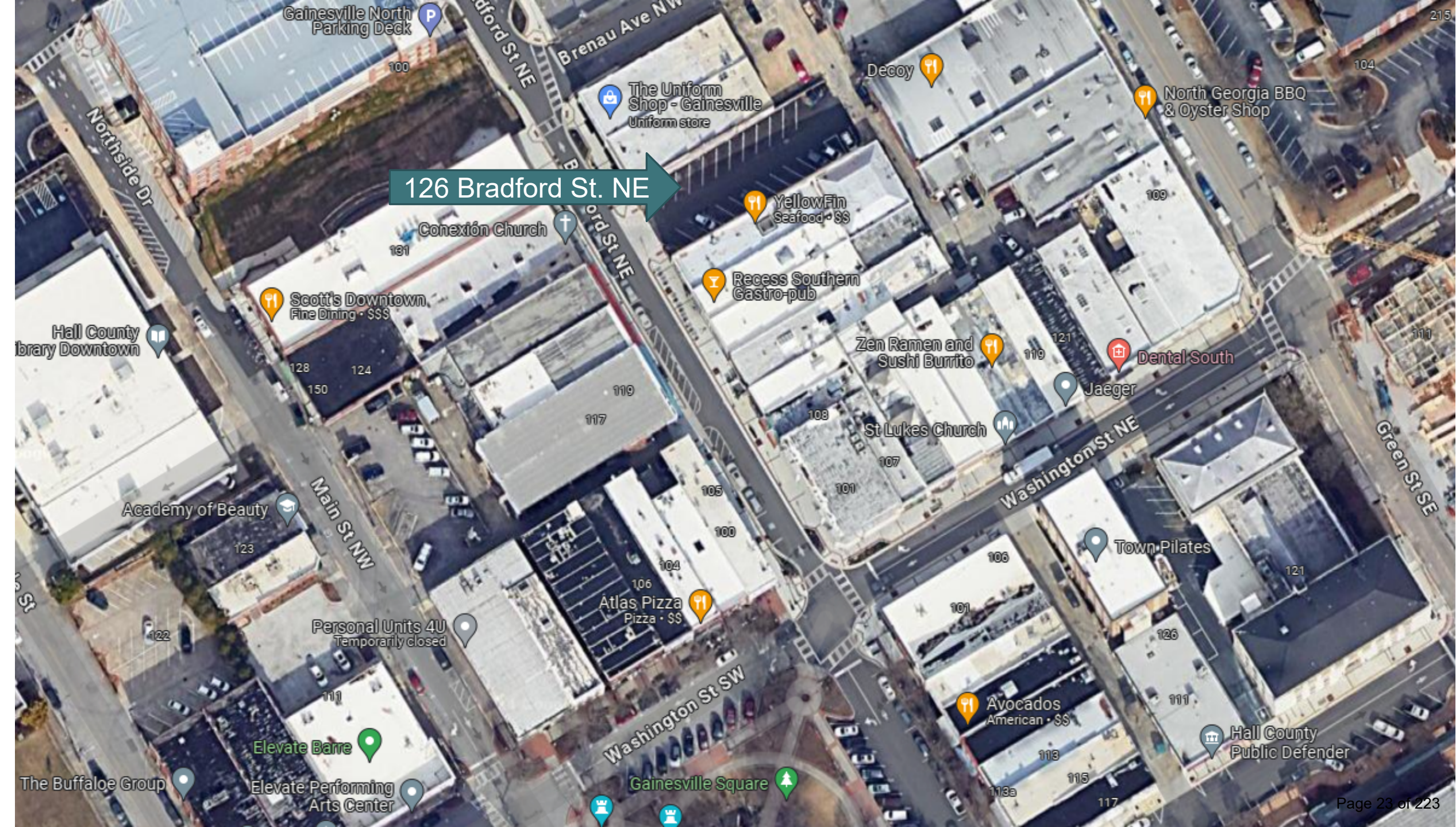
City Council Work Session

September 12, 2024

A dark teal background with a faint, light-colored map of Gainesville, Florida, showing a grid of streets and some irregular shapes representing parks or water bodies.

Bradford Building

126 Bradford Street NE



126 Bradford St. NE



Bradford Building



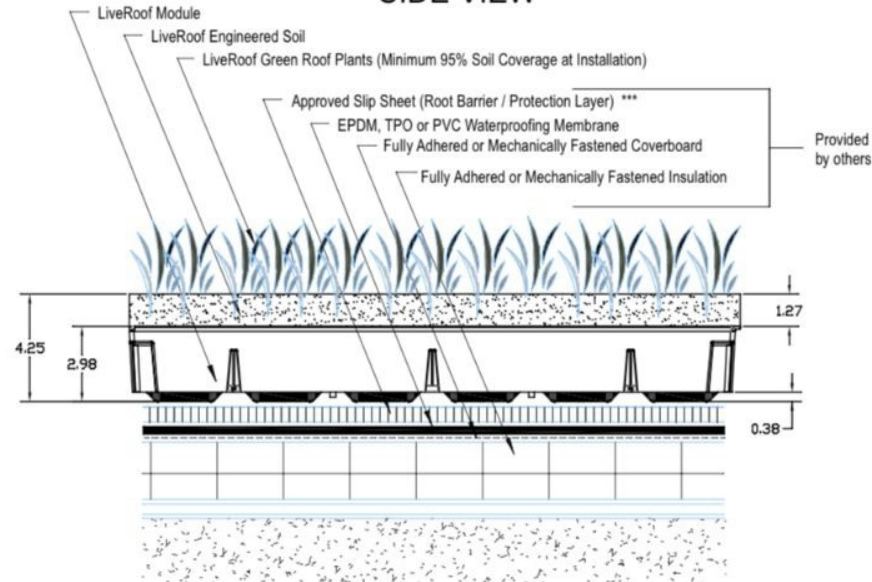




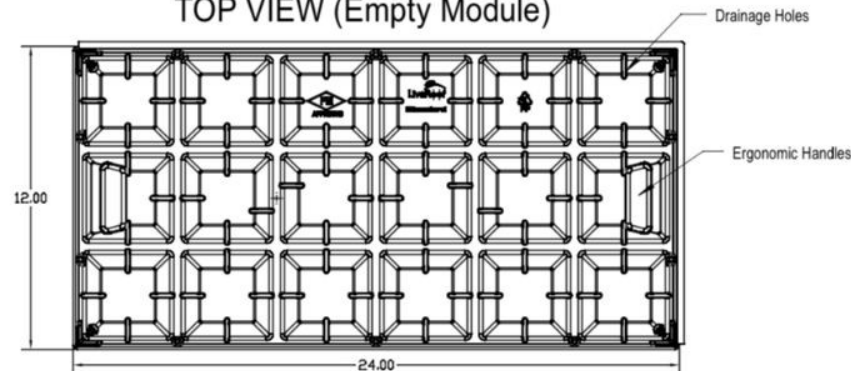
LiveRoof STANDARD SYSTEM

Over Conventional Roofing Assembly

SIDE VIEW



TOP VIEW (Empty Module)



*** Examples of commonly used slip sheet include minimum 40mil EPDM, TPO, PVC polypropylene, Polyolefin or other product depending type of roof and/or warranty. Installer to confirm compatibility of slip sheet and waterproofing membrane with waterproofing membrane manufacturer.

LiveRoof System Saturated Weight: 27-29 lbs / sf

NOT TO SCALE

ILLUSTRATIONS ARE TO CONCEPTUALLY ASSIST PROFESSIONALS IN DESIGNING LIVEROOF INSTALLATIONS. LIVEROOF DOES NOT ACCEPT RESPONSIBILITY FOR ENGINEERING BASED ON ILLUSTRATIONS. A QUALIFIED ROOFING SPECIALIST SHOULD BE CONSULTED TO DETERMINE APPROPRIATE WATERPROOFING AND ROOF DECK MATERIALS AND SUITABLE DESIGN.

STD Conventional
2022-11-8

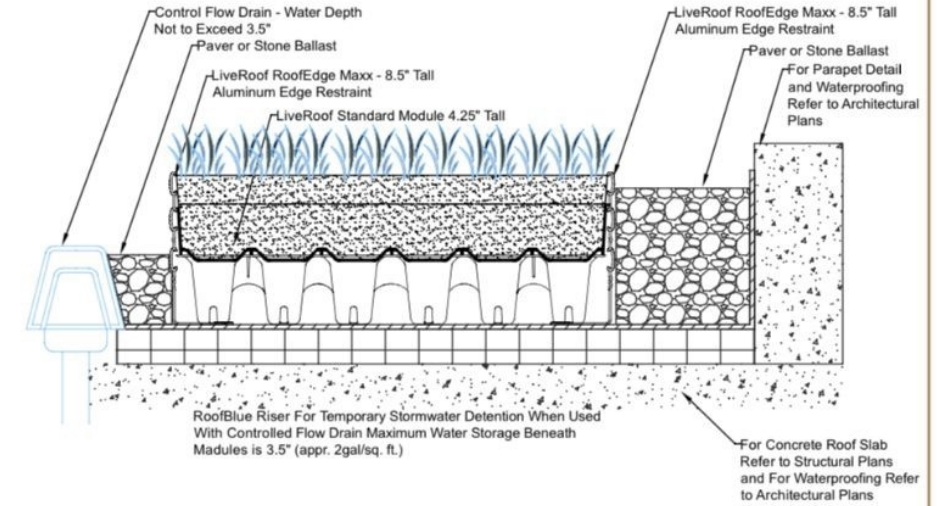
LiveRoof

LiveRoof, LLC
P.O. Box 533
Spring Lake, MI 49456

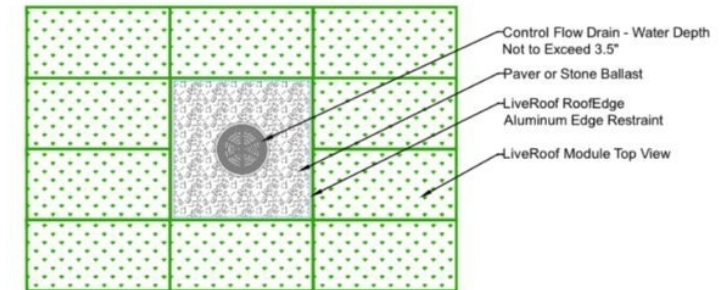
(800) 875-1392
www.liveroof.com

RoofBlue Stormwater Detention System with LiveRoof Standard Modules

For Use With Controlled Flow Drain



TOP VIEW



NOTES:

It is critical to account for the maximum detained water weight of a blue roof solution. LiveRoof Global, LLC advises to consult a structural engineer to determine safety of a blue roof solution for a particular building, to consult the waterproofing membrane manufacturer for compatible roof systems for blue applications, and to consult drain manufacturers for compatible control-flow drain options and data. LiveRoof Global advises against detaining water on the roof for a period longer than 24 hours. LiveRoof Global makes no statements as to the suitability of RoofBlue for any building or membrane assembly and accepts no liability for the weight, watertightness and flow rates of blue roof designs.

NOT TO SCALE

ILLUSTRATIONS ARE TO CONCEPTUALLY ASSIST PROFESSIONALS IN DESIGNING LIVEROOF INSTALLATIONS. LIVEROOF DOES NOT ACCEPT RESPONSIBILITY FOR ENGINEERING BASED ON ILLUSTRATIONS. A QUALIFIED ROOFING SPECIALIST SHOULD BE CONSULTED TO DETERMINE APPROPRIATE WATERPROOFING AND ROOF DECK MATERIALS AND SUITABLE DESIGN.

BLUE-STD-DETAIN
2022-11-9

LiveRoof

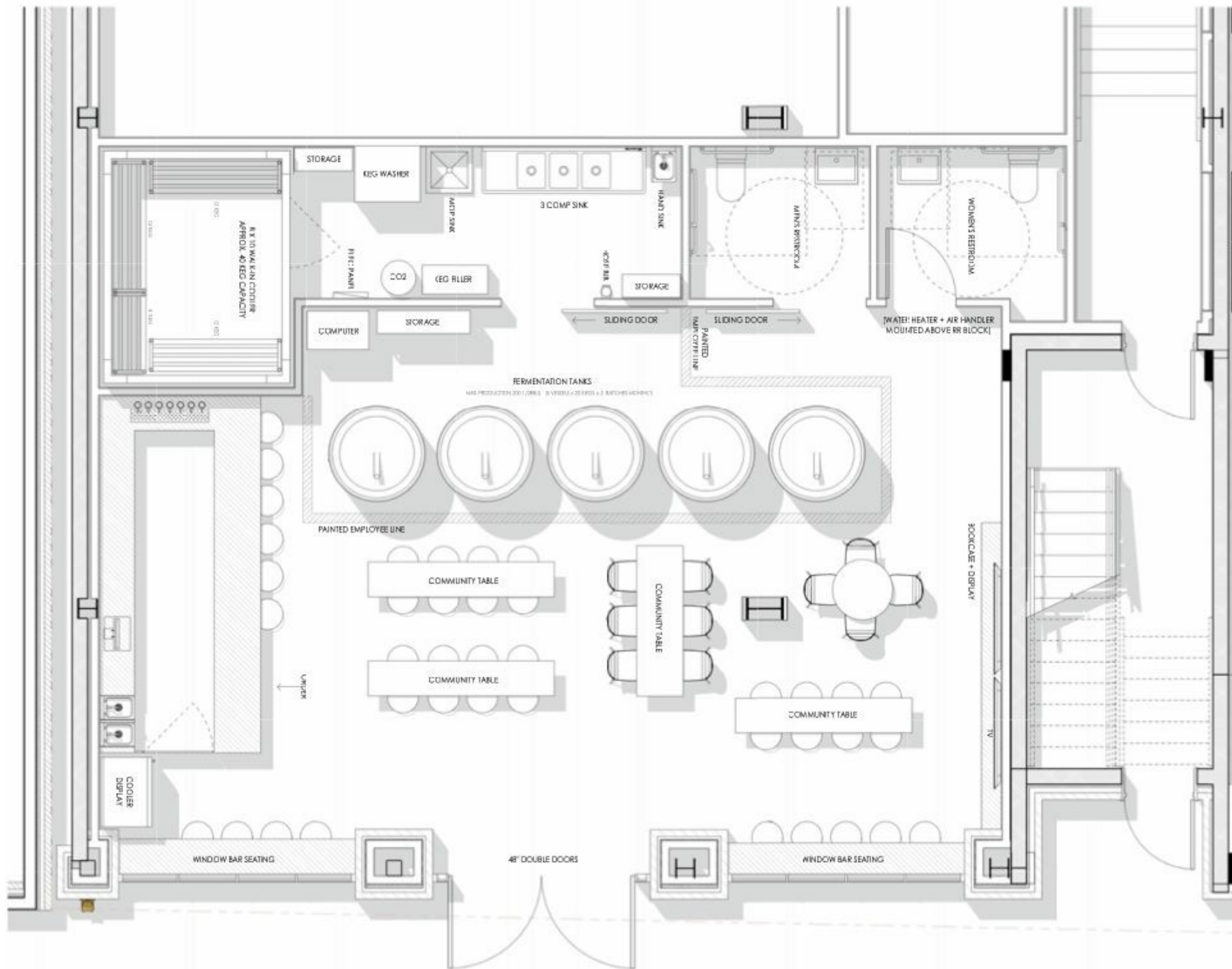
LiveRoof Global, LLC
P.O. Box 533
Spring Lake, MI 49456

(800) 875-1392
www.liveroof.com











BRADFORD BUILDING CONSTRUCTION ESTIMATE

LAND ACQUISITION	\$1,000,000
BUILDING COST	\$9,700,000
RETAIL (FLOOR 1) – TENANT IMPROVEMENTS	\$292,500
OFFICE (FLOORS 2 – 5) – TENANT IMPROVEMENTS	\$1,015,326
ARCHITECTURAL FEE	\$400,000
CONTINGENCY FEE	\$500,000
DEVELOPMENT FEE	\$500,000
INTEREST RESERVE	\$600,000
MISCELLANEOUS SOFT COSTS	\$250,000
TOTAL	\$14,257,826

BRADFORD BUILDING

TAD FUNDING

ELEVATED SITE AQUISITION COST	\$1,000,000
DEMOLITION	\$97,750
SIDEWALKS	\$17,250
EXTERIOR DOORS & WINDOWS	\$402,500
EXTERIOR AWNINGS	\$51,750
EXTERIOR METAL PANELS	\$40,250
EXTERIOR BRICK AND STRUCTURAL	\$862,500
STORM UPGRADES & ALLEYWAY	\$172,500
GREEN ROOF	\$230,000

TOTAL

\$2,874,500

Thank you!



TADAC Recommendation

	126 Bradford Street NE
Valuation	
2006 Base Fair Market Value	\$93,103
TAD Potential	
Based on Tax Assessor's Cost Value of:	\$12,900,000
15 Year Estimated TAD (100% Assessed Value)	\$2,200,622

Item Description	TAD Eligible	Recommended TAD Funding
Elevated Site Acquisition Cost	\$1,000,000	\$0
Demolition	\$97,750	\$97,750
Sidewalks	\$17,250	\$17,250
Exterior Door & Window Upgrades	\$402,500	\$402,500
Exterior Awnings Upgrades	\$51,750	\$51,750
Exterior Metal Panel Upgrades	\$40,250	\$40,250
Exterior Brick Full Height and Structural Upgrades	\$862,500	\$862,500
Storm Upgrades and Alleyway	\$172,500	\$172,500
Green Roof	\$230,000	\$230,000
TOTALS	\$2,874,500	\$1,874,500

TADAC RECOMMENDATION

Payment Schedule:

- Up to \$1,874,500 in TAD funds shall be made payable upon submittal of paid invoices based upon the schedule and conditions listed below:
 - Reimbursement will begin the calendar year after a Certificate of Occupancy is obtained for both the Bradford Street Restaurant and 50% of the office space.
 - Reimbursement shall not exceed beyond December 31, 2039.

Conditions:

- Completed project is in substantial conformance with the architectural renderings and budget submitted with the application.

Discussion



CITY OF GAINESVILLE

Mayor/Council Agenda Request

Item Created: September 12, 2024
Date Submitted: September 12, 2024
Final Approval Date: September 12, 2024
Presenter: Bryan Lackey, City Manager
Item of Business: GR-2024-08 FY2025 Legacy Link Grant Application and Contract
Meeting Date: September 17, 2024

Purpose of Request:

To approve the FY25 Legacy Link Grant application and contract.

Facts & Issues / History & Background:

Legacy Link Inc. provides federal and state dollars that fund programs such as Meals on Wheels and Senior Life Center. The CSC has been the recipient of these funds for 30+ years.

Department Recommendation:

Adopt the resolution.

Department Director:

Phillippa Lewis-Moss

If funding is involved, are funds approved within the current budget? No

Amount Requested:

\$82,984

Finance Comments:

Sources of Funds: Required Matching Funds will be in CSC FY25 Budget.

Administrative Comments:

Attachments:

1. GR-2024-08 FY2025 Legacy Link Contract

RESOLUTION GR-2024-08

FY2025 Legacy Link Grant Application and Contract

WHEREAS, the Gainesville-Hall County Community Service Center (CSC) is charged with providing a variety of services for aging persons in Hall County; and

WHEREAS, the CSC has for three decades applied for and been awarded a grant through Legacy Link for aging services to include senior transportation, home delivered meals, and congregate meals.

NOW, THEREFORE, BE IT RESOLVED THAT the governing body for the City of Gainesville hereby approves of the FY2025 Legacy Link grant application, subsequent contract and addendums and authorizes the Mayor, City Manager and/or City Attorney to sign all associated documents.

Adopted this ____ day of September, 2024.

W. Samuel Couvillon, Mayor

This is to certify that I am City Clerk of the City of Gainesville. As such, I keep its official records, including its minutes. In that capacity, my signature below certifies this resolution was adopted as stated and will be recorded in the official minutes.

ATTEST:

Alisa Grayson, Deputy City Clerk



CITY OF GAINESVILLE

Mayor/Council Agenda Request

Item Created: September 12, 2024
Date Submitted: September 12, 2024
Final Approval Date: September 12, 2024
Presenter: Bryan Lackey, City Manager
Item of Business: GR-2024-09 FY2026 Section 5307 Grant Application & Contract
Meeting Date: September 17, 2024

Purpose of Request:

To obtain capital and operating funds for Hall Area Transit Services (WeGo, Gainesville Trolley), an annual application must be submitted to GDOT/FTA.

Facts & Issues / History & Background:

Hall Area Transit has received Section 5307 Operating and Capital funds to submit transit operations for two decades. An annual application must be submitted to GDOT/FTA to continue receiving such funds.

Department Recommendation:

Adopt the resolution.

Department Director:

Phillippa Lewis-Moss

If funding is involved, are funds approved within the current budget? No

Amount Requested:

\$2,232,036

Finance Comments:

Sources of Funds: Matching Funds from the City of Gainesville and Hall County Government will be requested in the CSC FY25 Budget submission

Administrative Comments:

Attachments:

1. GR-2024-09 FY2026 Section 5307 Grant Application and Contract

RESOLUTION GR-2024-09

FY2026 SECTION 5307 GRANT APPLICATION & CONTRACT

RESOLUTION AUTHORIZING THE FILING OF AN APPLICATION WITH THE DEPARTMENT OF TRANSPORTATION, UNITED STATES OF AMERICA, AND GEORGIA DEPARTMENT OF TRANSPORTATION, FOR A GRANT UNDER TITLE 49 U.S.C., SECTION 5307

WHEREAS, the Federal Transit Administration and the Georgia Department of Transportation are authorized to make grants to non-urbanized (rural) areas for mass transportation projects; and

WHEREAS, the contract for financial assistance will impose certain obligations upon Applicant, including the provision of the local share of project costs; and

WHEREAS, it is required by the United States Department of Transportation and the Georgia Department of Transportation in accordance with the provisions of Title VI of the Civil Rights Act of 1964, that in connection with the filing of an application for assistance under the Federal Transit Act, the applicant gives an assurance that it will comply with Title VI of the Civil Rights Act of 1964 and the United States Department of Transportation requirements thereunder; and

WHEREAS, it is the goal of the Applicant that Minority Business Enterprise (Disadvantaged Business Enterprise and Women's Business Enterprise) be utilized to the fullest extent possible in connection with this project, and that definitive procedures shall be established and administered to ensure that minority business shall have the maximum feasible opportunity to compete for contracts and purchase orders when procuring construction contracts, supplies, equipment contracts, or consultant and other services.

NOW THEREFORE, BE IT RESOLVED BY hereinafter referred to as the "Applicant",

1. That the Designated Official, hereinafter referred to as the "Official, is authorized to execute and file an application on behalf of with the Georgia Department of Transportation, to aid in the purchase of bus transit vehicles and/or the planning, development, and construction of bus transit-related facilities pursuant to Section 5307 of the Federal Transit Act.
2. That the Official is authorized to execute and file such application and assurances, or any other document required by the U.S. Department of Transportation and the Georgia Department of Transportation effectuating the purpose of Title VI of the Civil Rights Act of 1964.
3. That the Official is authorized to execute and file all other standard assurances, or any other document required by the Georgia Department of Transportation or the U.S. Department of Transportation in connection with the application for public transportation assistance.
4. That the Official is authorized to execute grant contract agreements on behalf of the Applicant with the Georgia Department of Transportation.
5. That the Official is authorized to set forth and execute Minority Business Enterprise, DBE (Disadvantaged Business Enterprise) and WBE (Women Business Enterprise) policies and procedures in connection with the project's procurement needs as applicable.

RESOLUTION GR-2024-09

FY2026 SECTION 5307 GRANT APPLICATION & CONTRACT

RESOLUTION AUTHORIZING THE FILING OF AN APPLICATION WITH THE DEPARTMENT OF TRANSPORTATION, UNITED STATES OF AMERICA, AND GEORGIA DEPARTMENT OF TRANSPORTATION, FOR A GRANT UNDER TITLE 49 U.S.C., SECTION 5307

6. That the applicant while making application to or receiving grants from the Federal Transit Administration will comply with FTA Circular 9030.1E, FTA Certifications and Assurances for Federal Assistance 2023 as listed in this grant application and General Operating Guidelines as illustrated in the Georgia State Management Plan.
7. That the applicant has or will have available in the General Fund the required non-federal funds to meet local share requirements for this grant application.

BE IT FURTHER RESOLVED THAT the governing body of the City of Gainesville hereby authorizes the Mayor, City Manager and/or City Attorney to execute all documents necessary to (1) apply for this grant, (2) accept awarded funds and (3) effectuate the contract/agreement.

Adopted this ____ day of September, 2024.

W. Samuel Couvillon, Mayor

This is to certify that I am City Clerk of the City of Gainesville. As such, I keep its official records, including its minutes. In that capacity, my signature below certifies this Resolution was adopted as stated and will be recorded in the official minutes.

ATTEST:

Alisa Grayson, Deputy City Clerk



CITY OF GAINESVILLE

Mayor/Council Agenda Request

Item Created: September 12, 2024
Date Submitted: September 12, 2024
Final Approval Date: September 12, 2024
Presenter: Bryan Lackey, City Manager
Item of Business: GR-2024-10 Georgia Transit Trust Fund Program (TTFP) 2025
Meeting Date: September 17, 2024

Purpose of Request:

The purpose of this request is to request authorization of the FY25 Transit Trust Fund Program grant application and contract.

Facts & Issues / History & Background:

The Georgia General Assembly passed HB511 in 2021 establishing the Georgia Transit Trust Fund Program (TTFP). This program, which established fees on for-hire ground transportation services, generates some \$15M each year. The collected funds are reallocated to transit agencies throughout Georgia. Hall Area Transit has received an FY25 allocation of \$263,573.

Department Recommendation:

Adopt the resolution.

Department Director:

Phillippa Lewis-Moss

If funding is involved, are funds approved within the current budget? No

Amount Requested:

Sources of Funds:

\$0.00

Finance Comments:

Administrative Comments:

Attachments:

1. GR-2024-10 Georgia Transit Trust Fund Program 2025
2. 2025 Transit Trust Fund Program Application Revised

RESOLUTION GR-2024-10

GEORGIA TRANSIT TRUST FUND PROGRAM (TTFP) 2025

WHEREAS, the Georgia General Assembly passed HB511 in 2021 establishing the Georgia Transit Trust Fund Program (TTFP) and establishing fees on for-hire ground transportation services; and

WHEREAS, these fees have produced more than \$15M for distribution to transit agencies throughout Georgia for FY25; and

WHEREAS, the City of Gainesville, through Hall Area Transit, has received GDOT approval for \$263,573 in TTFP to purchase three additional WeGo vehicles and associated equipment with no requirement that the City match the TTFP funds.

NOW, THEREFORE, BE IT RESOLVED THAT the governing body for the City of Gainesville hereby approves the Agreement for Allocation of Funds under the TTF Program between the City of Gainesville and the Georgia Department of Transportation (the "Agreement") and authorizes the City Manager, Mayor, and/or City Attorney to execute the Agreement and all such other documents as may be necessary to effectuate the provisions of the Agreement.

Adopted this ____ day of September, 2024.

W. Samuel Couvillon, Mayor

This is to certify that I am City Clerk of the City of Gainesville. As such, I keep its official records, including its minutes. In that capacity, my signature below certifies this resolution was adopted as stated and will be recorded in the official minutes.

ATTEST:

Alisa Grayson, Deputy City Clerk

**GEORGIA DEPARTMENT OF TRANSPORTATION ("GDOT")
TRANSIT TRUST FUND PROGRAM
FISCAL YEAR 2025 APPLICATION**

TRANSIT AGENCY AFFIDAVIT AND CERTIFICATION

I, **Sam Couvillon** (Name), the **Mayor** (Title),

on behalf of **Hall Area Transit** (Transit Agency), who being duly sworn do swear that the information given herein is true to the best of his/her knowledge and belief. The Transit Agency swears and certifies that it has read and understands the Transit Trust Fund Program ("TTFP") General Guidelines and that it has complied with and will comply with the same.

The Transit Agency further swears and certifies that it has read and understands the provisions set forth in 2 CFR 200; Federal Transit Administration (FTA) Circular 5010.1E, Award Management; 9030.1E, Urbanized Area Formula Program; 9040.1G, Formula Grants for Rural Areas; 4220.1F, Third Party Contracting Guidance; the FTA Master Agreement; applicable portions of Federal Acquisition Regulations (FAR), including subpart 31.6; and Official Code of Georgia (O.C.G.A) §§ 32-9-1 through 32-9-3, 32-9-5, 32-9-9 through 32-9-11, 40-2-151.1, and 48-13-140 through 48-13-144.

Eligibility for TTFP funding mirrors FTA requirements. As required by federal financial management principles and outlined in the GDOT Transit Program Financial Management Oversight Manual, maintaining effective control and accountability for all TTFP and federal funds, property, and other assets is required. Each recipient of FTA funds is required to sign and comply with the annual FTA Certifications and Assurances. All TTFP recipients are issued a contract or Memorandum of Agreement (MOA) that includes specific reporting and compliance requirements.

Further, the Transit Agency shall be responsible for any claim, damage, loss, or expense that is attributable to negligent acts, errors, or omissions related to the designs, drawings, specifications, work, and other services furnished by or on behalf of the Transit Agency according to this Application ("Loss"). To the extent provided by law, the Transit Agency further agrees to hold harmless and indemnify GDOT and the State of Georgia from all suits or claims that may arise from said Loss.

If the Transit Agency fails to comply with the TTFP General Guidelines or fails to comply with its Application and Certification, or fails to cooperate with the auditor(s), or fails to maintain and retain sufficient records, then GDOT may, at its discretion, prohibit the Transit Agency from participating in the TTFP in the future and may pursue any available legal remedy to obtain reimbursement of the TTFP funds. Furthermore, if in the estimation of GDOT, a transit project shows evidence of failure to participate in the specified tasks, equipment and materials described in the project summary included with its Application, then GDOT may pursue any available legal remedy to obtain reimbursement of the allocated TTFP funds or prohibit Transit Agency from participating in the TTFP until corrections are made to address the deficiencies or reimbursement is made. All projects identified on the project list included with Transit Agency's Application, shall be completed in accordance with all relevant Federal, State and local laws.

Transit Agency:

_____ (Signature)	_____ E-Verify Number
Sam Couvillon (Print)	Sworn to and subscribed before me,
Mayor / Commission Chairperson	This ____ day of _____, 20____.
_____ (Date)	In the presence of:

NOTARY PUBLIC

TRANSIT AGENCY SEAL:

My Commission Expires:

NOTARY PUBLIC SEAL:

**GEORGIA DEPARTMENT OF TRANSPORTATION
TRANSIT TRUST FUND PROGRAM
FISCAL YEAR 2025 APPLICATION**

PROPOSED TRANSIT PROJECT DESCRIPTION

Legal Name of Applicant Organization		City of Gainesville (on behalf of Hall Area Transit)
Physical Address		300 Henry Ward Way, Gainesville, GA 30501
Mailing Address		P.O. Box 2496 Gainesville 30503
Organization Type		☐ County Government ☐ City Government ☐ Regional Commission ☐ Non-Profit Organization ☐ Other (Specify) _____
Authorized Submitter (This should also be the person to whom questions about this application are to be directed)	Name	Phillippa Lewis Moss
	Title	CSC Director, Hall Area Transit General Manager
	Phone #	770-503-3350
	Email	pmoss@gainesvillega.gov
E-Verify #		
Authorized Official who will Execute the Contract	Name	Sam Couvillon
	Title	Mayor, City of Gainesville
	Phone #	770-297-5495
	Email	cityclerk@gainesvillega.gov
Designated Staff Person who will Affix the Government's Seal	Name	Denise Jordan
	Title	City Clerk
	Phone #	770-535-6864, ext. 2586
	Email	djordan@gainesvillega.gov
Designated Notary who will Notarize the Executing and Attesting Officials' Signatures	Name	Alisa Grayson
	Title	Deputy City Clerk
	Phone #	770-535-6865
	Email	agrayson@gainesvillega.gov

Type of proposed TTFP project:	☐ Operating ☒ Capital
Project Description: - Describe the proposed TTFP eligible transit project(s). - Indicate how the project complies with FTA requirements. - Limit project description to two (2) pages.	Three vehicles and associated security equipment will be procured to use within the existing WeGo Microtransit Vanpool Service.
Provide details certifying that TTFP funds will be additive and not supplant existing funds:	TTFP Funds will be additive and not supplant existing funds.

PROPOSED PROJECT BUDGET

Provide a detailed project budget in the applicable columns/rows in the table below. TTFP funds must be additive and not supplant existing funds. Please double-click in the table to enter data in highlighted cells.

Proposed Project Budget		Proposed Project Funds by Source			TOTAL
Item	Description	TTFP Funds	Local Funds	FTA Funds	Total Cost
1	Vehicle&Security Equipment	\$87,857			\$ 87,857.00
2	Vehicle&Security Equipment	\$87,857			\$ 87,857.00
3	Vehicle&Security Equipment	\$87,857			\$ 87,857.00
4					\$ -
5					\$ -
6					\$ -
7					\$ -
8					\$ -
9					\$ -
10					\$ -
Total Proposed Budget		\$ 263,571.00	\$ -	\$ -	\$ 263,571.00



CITY OF GAINESVILLE

Mayor/Council Agenda Request

Item Created: September 12, 2024
Date Submitted: September 12, 2024
Final Approval Date: September 12, 2024
Presenter: Bryan Lackey, City Manager
Item of Business: PR-2024-04 Update to Hall Area Transit Title VI Plan
Meeting Date: September 17, 2024

Purpose of Request:

The purpose of this request is to request authorization for adoption of an update to the Hall Area Transit Title VI Plan.

Facts & Issues / History & Background:

The Georgia Department of Transportation has requested that the governing body of Hall Area Transit adopt an updated Title VI Plan under the Civil Rights Act of 1964. This plan assures the Georgia Department of Transportation and the US Department of Transportation that no person shall on the basis of race, color, national origin, age, disability, family or religious status, as provided by Title VI of the Civil Rights Act of 1964, Federal Transit Laws 49 CFR Part 21 Unlawful Discrimination, Non-discrimination in Federally Assisted Programs of the Department of Transportation and as per written guidance under FTA Circular 4702.1B, dated October 2012, be excluded from participation in, denied the benefits of, or be otherwise subject to discrimination or retaliation under any program or activity undertaken by the agency.

After Council approves the document in its current draft stage, staff will forward it to consultants who will review it and recommend minor revisions. The final Plan will be submitted to the City Clerk for filing.

Department Recommendation:

Adopt the resolution.

Department Director:

Phillippa Lewis-Moss

If funding is involved, are funds approved within the current budget? No

Amount Requested:

Sources of Funds:

\$0.00

Finance Comments:

Administrative Comments:

Attachments:

1. PR-2024-04 Update to HAT Title VI Plan
2. Hall Area Transit Title VI Program - Draft 9-2024

RESOLUTION PR-2024-04

Update to Hall Area Transit Title VI Plan

WHEREAS, the Georgia Department of Transportation has requested that the governing body of Hall Area Transit adopt an updated Title VI Plan under the Civil Rights Act of 1964; and

WHEREAS, adoption of a Hall Area Transit Title VI Plan assures the Georgia Department of Transportation and the US Department of Transportation that no person shall on the basis of race, color, national origin, age, disability , family or religious status, as provided by Title VI of the Civil Rights Act of 1964, Federal Transit Laws 49 CFR Part 21 Unlawful Discrimination, Non-discrimination in Federally Assisted Programs of the Department of Transportation and as per written guidance under FTA Circular 4702.1B, dated October 2012, be excluded from participation in, denied the benefits of, or be otherwise subject to discrimination or retaliation under any program or activity undertaken by the agency; and

WHEREAS, to ensure that the Hall Area Transit Title VI Plan aligns with federal regulations, consultants may recommend minor revisions after the document has been adopted by the Gainesville City Council.

NOW, THEREFORE, BE IT RESOLVED THAT the governing body for the City of Gainesville hereby approves the adoption of the Title VI Plan as of September 2024.

Adopted this _____ day of _____, 2024.

W. Samuel Couvillon, Mayor

This is to certify that I am City Clerk of the City of Gainesville. As such, I keep its official records, including its minutes. In that capacity, my signature below certifies this Resolution was adopted as stated and will be recorded in the official minutes.

ATTEST:

Alisa Grayson, Deputy City Clerk

DRAFT Pending Consultant Review

***Federal Transit Administration
Title VI Program
Hall Area Transit***

September 2024

(Plan expires 3 years from date approved by the board)

Commented [AC1]: Delete after reading, or you can write the Expiration Date. You are welcome to add your logo.

Please delete all comments after finalizing your plan!

Title VI Plan Table of Contents

The Hall Area Transit Title VI plan includes the following elements:

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Section 1: Title VI Plan Approval

Title VI Plan Adopted on: September 17, 2024

Adopted by: Gainesville City Council

Signature(s): _____

Approval: _____

Commented [BR2]: Include here a copy of documentation to show approval of the Plan – minutes, resolutions, etc.

Section 2: Title VI Policy Statement

Policy Statement

Hall Area Transit, operating as a public transit provider, as a recipient of Federal Transit Administration (FTA) grant dollars either directly from FTA or through the Georgia Department of Transportation (GDOT), will comply with the Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d), the U.S. Department of Transportation implementing regulations, FTA Circular 4702.1B, and GDOT Public Transportation requirements as specified in Master Grant Agreement, and State Management Plan. Hall Area Transit operates its programs and services without regard to race, color, and national origin in accordance with Title VI of the Civil Rights Act.

Section 3: Title VI Notice to the Public

Title VI Notice to the Public

Notifying the Public of Rights Under Title VI

Hall Area Transit

- Hall Area Transit operates its programs and services without regard to race, color, and national origin in accordance with Title VI of the Civil Rights Act. Any person who believes she or he has been aggrieved by any unlawful discriminatory practice under Title VI may file a complaint with the Hall Area Transit.
- For more information on Hall Area Transit's civil rights program or Title VI obligations, the procedures for, or to file a complaint, please contact:

Phillippa Lewis Moss, Title VI Coordinator

770-503-3340, (TTY 800-255-0056)

Email: pmoss@gainesvillega.gov;

Or visit our administrative office

687 Main Street, Gainesville, GA 30501

For more information, visit www.gainesvillega.gov

- For transportation-related Title VI matters, a complaint may also be filed directly with GDOT's Equal Employment Opportunity Office: Title VI Liaison, 600 West Peachtree Street N.W. Atlanta, GA 30308; via phone: 404-631-1972; TTY: 711 or email: civilrights@dot.ga.gov

or to

- Federal Transit Administration, Office of Civil Rights, Director
East Building, 5th Floor-TCR, 1200 New Jersey Ave., SE, Washington, DC, 20590.
- If information is needed in another language, contact **770-503-3340**.
- Si se necesita información en otro idioma, comuníquese con **770-503-3340**.

Commented [AC3]: The Staff Position *should* be Title VI Coordinator, unless your agency has a reason to have another employee adjudicating Complaints.

The **Hall Area Transit** Notice to the Public is posted in the following locations:

1. 687 Main Street, Gainesville GA 30501
2. WeGo Vans
3. Gainesville Trolley Vans

Sample Title VI Notice to the Public in Spanish

Commented [BR4]: If you do not need Spanish translation included for your Title VI Plan, this page may be deleted.

Notificación al Público de Derechos Bajo el Título VI

- Hall Area Transit opera sus programas y servicios sin distinción de raza, color y origen nacional, según el Título VI de la Ley de Derechos Civiles. Cualquier persona que cree o que ha sido perjudicada por una práctica discriminatoria ilegal bajo el Título VI puede presentar una queja con Hall Area Transit.
- Para obtener más información sobre el programa de derechos civiles o los obligaciones Título VI de Hall Area Transit, o para obtener más información sobre los procedimientos para, o a presentar una queja, se pone en contacto con:

Phillippa Lewis Moss Title VI Coordinator

770-503-3340, (TTY 800-255-0056)

Correo electrónico: pmoss@gainesvillega.gov;

O visite a nuestra oficina administrativa en:

430 Prior Street, S.E., Gainesville, GA 30501

Para más información, visite a: www.gainesvillega.gov

- For transportation-related Title VI matters, a complaint may also be filed directly with GDOT's Equal Employment Opportunity Office: Title VI Liaison, 600 West Peachtree Street N.W. Atlanta, GA 30308; via phone: 404-631-1972; TTY: 711 or email: civilrights@dot.ga.gov

Commented [BR5]: Need Amy to translate

o, a:

- Administración Federal de Tránsito (FTA), Oficina de Derechos Civiles, Director East Building, 5th Floor-TCR, 1200 New Jersey Ave., SE Washington, DC, 20590.
- Si se necesita información en otro idioma, comuníquese con **770-503-3340**.

Section 4: Title VI Complaint Procedure

Any individual, group of individuals or entity that believes they have been discriminated against on the basis of race, color, or national origin by Hall Area Transit may file a Title VI complaint by completing and submitting the agency's Title VI Complaint Form.

If the complainant is unable to reduce the complaint to writing, please contact the Title VI Coordinator using the information below, and a staff member will help dictate the complaint or provide other necessary assistance.

Any individual having filed a complaint or participated in the investigation of a complaint shall not be subjected to any form of intimidation or retaliation. Individuals who have cause to think that they have been subjected to intimidation or retaliation can file a complaint of retaliation following the same procedure for filing a discrimination complaint.

A complaint must be filed with Hall Area Transit no later than 180 days after the following:

1. The date of the alleged act of discrimination; or
2. The date when the person(s) became aware of the alleged discrimination; or
3. Where there has been a continuing course of conduct, the date on which that conduct was discontinued of the latest instance of the conduct.

Once the complaint is received, Hall Area Transit will review it to determine if our office has jurisdiction. A copy of each Title VI complaint received will be forwarded to the agency's Title VI Coordinator. The complainant will receive an acknowledgement letter informing her/him whether the complaint will be investigated by our office.

Hall Area Transit has 45 business days to investigate the complaint. If more information is needed to resolve the case, the Hall Area Transit may contact the complainant requesting further information. The complainant has 45 business days from the date of the letter to send requested information to the investigator assigned to the case. If the investigator is not contacted by the complainant or does not receive the additional information within 5 business days, Hall Area Transit can administratively close the case.

Commented [AC6]: Suggestion: 15-30 days. No less than 10.

Commented [AC7]: Insert SAME number chosen above.

After the investigator reviews the complaint, the agency will issue one of two (2) letters to the complainant: a closure letter or a letter of finding (LOF).

- ✓ A closure letter summarizes the allegations and states that there was not a Title VI violation and that the case will be closed.
- ✓ A letter of finding (LOF) summarizes the allegations and the interviews regarding the alleged incident, and explains whether any disciplinary action, additional training of the staff member, or other action will occur.

If the complainant wishes to appeal the decision it must direct the appeal back to the agency. The complainant has 30 days after receipt of the closure letter or the letter of finding to do so. The appeal will be investigated and decided by a separate party than the Title VI

Commented [AC8]: You can give MORE days, but less is not advisable.

Coordinator (or other official who issued the initial decision). The appeal process information will be included in the letter.

Commented [AC9]: You can choose to send Appeal information (who to contact; what information is needed to initiate the appeal) with the Letter OR, even better, change this paragraph to give specific information on how to initiate the appeal.

Written Title VI Complaints, or any questions regarding Title VI protections, should be forwarded to:

Phillippa Lewis Moss, Title VI Coordinator
770-503-3340, (TTY 800-255-0056)
Email: pmoss@gainesvillega.gov;
Or visit our administrative office at
687 Main Street, S.E. Gainesville, GA 30501.

Commented [AC10]: The Staff Position *should* be Title VI Coordinator, unless your agency has a reason to have another employee adjudicating Complaints.

For transportation-related Title VI matters, a complaint may also be filed directly with GDOT's Equal Employment Opportunity Office: Title VI Liaison, 600 West Peachtree Street N.W. Atlanta, GA 30308; via phone: 404-631-1972; TTY: 711 or email: civilrights@dot.ga.gov

Or

Federal Transit Administration, Office of Civil Rights, Director
East Building, 5th Floor-TCR, 1200 New Jersey Ave., SE Washington, DC, 20590.

If information is needed in another language, please contact **770-503-3340**.

Si necesita información en otro idioma, por favor llame 770-503-3340.

Section 5: Title VI Complaint Form

Hall Area Transit Title VI Complaint Form

Section I:				
Name:				
Address:				
Telephone (Home):		Telephone (Work):		
E-Mail Address:				
Accessible Format Requirements?	Large Print		Audio Tape	
	TDD		Other	
Section II:				
Are you filing this complaint on your own behalf?		Yes*	No	
*If you answered "yes" to this question, go to Section III.				
If not, please supply the name and relationship of the person for whom you are complaining:				
Please explain why you have filed for a third party:				
Please confirm that you have obtained the permission of the aggrieved party if you are filing on behalf of a third party.		Yes	No	
Section III:				

I believe the discrimination I experienced was based on (check all that apply): Title VI: ☐ Race ☐ Color ☐ National Origin Other (specify): _____ Date of Alleged Discrimination (Month, Day, Year): _____ Explain as clearly as possible what happened and why you believe you were discriminated against. Describe all persons who were involved. Include the name and contact information of the person(s) who discriminated against you (if known) as well as names and contact information of any witnesses. If more space is needed, please use the back of this form. _____ _____ _____ _____		
Section IV		
Have you previously filed a Civil Rights related complaint with this agency?	Yes	No
Section V		
Have you filed this complaint with any other Federal, State, or local agency, or with any Federal or State court? ☐ Yes ☐ No If yes, check all that apply: ☐ Federal Agency: _____ ☐ Federal Court _____ ☐ State Agency _____ ☐ State Court _____ ☐ Local Agency _____		
If marked Yes in Section V, please provide information about a contact person at the agency/court where the complaint was filed.		
Name:		
Title:		
Agency:		

Address:
Telephone:
Section VI
Name of agency complaint is against:
Contact person:
Title:
Telephone number:

You may attach any written materials or other information that you think is relevant to your complaint.

Signature and date required below

Signature

Date

Please submit this form in person at the address below, or mail this form to the Title VI Coordinator:

**Hall Area Transit
Phillippa Lewis Moss
Community Services Director &
Hall Area Transit General Manager
687 Main Street, S.E
Gainesville, GA 30501**

Section 6: List of Title VI Investigations, Complaints and Lawsuits

The Hall Area Transit maintains a list or log of all Title VI investigations, complaints and lawsuits, pertaining to its transit-related activities.

Check One:

- ☒ There have been no investigations, complaint and/or lawsuits filed against us since the last plan submission.
- ☐ There have been investigations, complaints and/or lawsuits filed against us.
 See list below. Attach additional information as needed.

	Date (Month, Day, Year)	Summary (include basis of complaint: race, color, or national origin)	Status	Action(s) Taken
Investigations				
1. N/A				
2.				
Lawsuits				
1. N/A				
2.				
Complaints				
1. N/A				
2.				

Section 7: Public Participation Plan

Hall Area Transit's *Public Involvement Philosophy*

Hall Area Transit welcomes and values public involvement. GDOT and its recipients believe that well-designed, proactive public involvement improves its planning and policy efforts and ultimately leads to better decisions, better projects, and maximized, long-term public benefits. Creating long-term, sustainable systems requires our agency to embrace outside skills and knowledge, including input from the public. Advantages of enhanced public involvement include:

- Increased public collaboration. Citizen collaboration on projects benefits our agency's processes and outcomes, promoting public participation and respectful, productive dialogue.
- Decisions that better reflect diverse interests. Consulting with all identifiable interests helps Hall Area Transit better understand and reflect the full range of community values and livability standards.
- Efficient transportation decision implementation. Early public involvement fosters better decision making and reduces costly project plan revisions and change orders.
- Enhanced agency credibility. Increased public involvement results in more meaningful and better interactions between Department personnel and customers. This interaction aids everyone. The agency better understands public concerns, and customers gain an appreciation of the agency and its responsibilities.
- Hall Area Transit proactively involves the public in addressing transportation issues. The agency communicates its mission and goals to the widest audience possible and considers feedback received from transportation stakeholders and the public.

The agency embraces several specific goals:

- Provide for open and continuous communication to incorporate public input into decision-making and inform the public of planning, program functions, project activities, designs, and construction.
- Implement a public involvement strategy to identify and use agency resources to inform the public of our activities and receive public input. The strategy will establish levels (based on the nature and complexity of the activity) for communicating with transportation stakeholders and the public.
- Consult with local governments in identifying transportation needs, coordinating projects, and selecting viable solutions.
- Respond quickly and transparently to concerns expressed about agency activities and educate the public about transportation programs and issues.
- Review and update the public involvement strategy and process as needed, continuously evaluate public outreach activity effectiveness, and use the results to improve the program.
- Ensure minorities and low-income populations have opportunities to participate in the public involvement process.
- Foster internal communication and training to promote public involvement process understanding and implementation.

Strategies and Desired Outcomes

To promote inclusive public participation, Hall Area Transit will employ the following strategies, as appropriate:

- ✓ Provide for early, frequent and continuous engagement by the public
- ✓ Select accessible and varied meeting locations and times
- ✓ Employ different meeting sizes and formats
- ✓ Use social media in addition to other resources as a way to gain public involvement

- ✓ Use radio, television or newspaper ads on stations and in publications that serve LEP populations. Outreach to LEP populations may also include audio programming available on podcasts.
- ✓ Expand traditional outreach methods by visiting ethnic stores/markets and restaurants, community centers, libraries, faith-based institutions, local festivals, etc.

In addition to these general strategies, Hall Area Transit has also employed these specific strategies or activities:

- Attend and present at meetings hosted by local nonprofit organizations
- Host public sessions at the transit station
- Set meeting times through the week and at various times of day

Public Outreach Activities

The public outreach and involvement activities conducted by Hall Area Transit since the last Title VI Program submission are summarized in the table below.

Specific Public Participation activities are listed in the table below:

Event Date	Hall Area Transit Staffer(s) or Dept	Activity	Communication Method (Public notice, posters, social media)
Year-long	GM	Distribution of brochures	City of Gainesville website
9/22/21 4/18/22 8/08/22 6/19/23 8/01/23 1/26/24	GM	Public Announcements	Newspaper, Radio
06/02/21 06/03/21 11/02/22 06/24/23	GM	Public Meetings	
Year-long	GM	Nondiscrimination Postings	Transit Fleet, Transit Admin. Facility
Year-long	GM	Agency Website Notices	City of Gainesville Website
May-Sep Nov-Dec	GM	Postings	City of Gainesville Facebook Account
Aug-Sep	GM	Resource Fairs/Job Fairs	Lanier Tech, Brenau University, Greater Hall Chamber of Cmrc

Commented [BR11]: This is a summary of the table you're building below. You should have general strategies for public engagement and the table below will include specific dates and examples.

If your agency can list anything specific you are doing to increase participation by minorities or other unserved populations, list them here. If not, change this section to list things you WILL or would like to start doing in the future.

By the time you submit your next plan (in 3 years), understand that you should have built a series of activities or strategies your agency IS actively using.

Commented [BR12]: Examples include, but are *not limited to*:

- Distribution of agency brochures
- Public announcements via newspaper, flyer or radio
- Hosting public meetings or hearings
- Posting nondiscrimination notices in vehicles, transit related stations/stops, lobby of agency
- Agency website notices
- Social Media outlets you post public information
- Information booths or sessions at community events
- Resource fairs/Job fairs
- Regional Planning Meetings
- Listing specific local non-profit or affinity groups that your agency has worked with/contacted to increase collaboration or inform them of your services
- Advertising or postings in another language

See Meeting Dates Below	GM	Regional Planning Meetings	GHMPO Policy Committee GHMP Technical Committee Safety Action Plan Meetings GA Mountains ARC Regional Plan
Meeting Dates: 02/15/23, 02/21/23, 04/19/23, 05/09/23, 07/19/23, 08/08/23, 10/18/23, 11/14/23, 11/17/23, 01/24/24, 02/13/24, 04/24/24, 05/14/24, 06/27/24, 07/09/24, 08/13/24,			
	GM	Affinity Groups	United Way Hall County, Salvation Army, Community Council on Aging, Hall County Family Connections Network, Kiwanis,
Meeting Dates: 01/17/19, 01/23/19, 02/21/19, 04/04/19, 03/11/19, 03/28/19, 04/11/19, 04/24/19, 05/07/19, 05/22/19, 07/8/19, 09/09/19, 09/12, 19, 09/25/19, 11/20/19, 12/18/19, 12/19, 19, 01/06/20, 01/30/20, 02/12/20, 02/20/20, 03/18/20, 04/22/20, 05/05/20, 06/24/20, 08/11/20, 12/01/20, 06/14/21, 07/28/21, 07/11/22, 01/25/23, 03/03/23, 03/22/23, 03/28/23, 05/24/23, 07/26/23, 08/02/23, 09/27/23, 11/15/23,			
	GM	Advertising Postings in Another Language	www.gainesville.org

Section 8: Four Factor Analysis and LEP Data

What does it mean to be Limited English Proficient (LEP)?

LEP individuals do not speak English as their primary language and therefore have a limited ability to read, write, speak, or understand English. Many LEP persons are in the process of learning English and may read, write, speak, and/or understand some English, but not proficiently. LEP status may be context-specific – an individual may have sufficient English language skills to communicate basic information (name, address etc.) but may not have sufficient skills to communicate detailed information in English.

Background

Federal law prohibits discrimination based on national origin. National origin discrimination includes discrimination based on a person's inability to speak, read, write or understand English. Recipients of Federal funds must provide meaningful access to LEP individuals.

On August 11, 2000, Executive Order 13166, titled, "Improving Access to Services by Persons with Limited English Proficiency," was issued. Executive Order 13166 requires Federal agencies to assess and address the needs of otherwise eligible persons seeking access to federally conducted programs and activities who, due to LEP cannot fully and equally participate in or benefit from those programs and activities. Section 2 of the Executive Order 13166 directs each Federal department or agency "to prepare a plan to improve access to...Federally conducted programs and activities by eligible LEP persons...."

Framework for Deciding when Language Services are Needed

Hall Area Transit will take the following steps to ensure meaningful access to its programs, services, and activities for LEP individuals in a manner that balances the following four factors.

FOUR-FACTOR ANALYSIS

The Four Factor Analysis is a local assessment that considers:

1. The number or proportion of LEP persons eligible to be served or likely to be encountered by the agency;
2. The frequency with which LEP persons come into contact with the agency's services and programs;
3. The nature and importance of the agency's services and programs in people's lives; and
4. The resources available to the agency for LEP outreach, as well as the costs associated with that outreach.

Factor One: The number or proportion of LEP persons eligible to be serviced or likely to be encountered by Hall Area Transit

The first step in determining the appropriate components of a Language Assistance Plan is understanding the proportion of LEP persons who may encounter our agency's services, their literacy skills in English and their native language, the location of their communities and neighborhoods and, more importantly, if any are underserved as a result of a language barrier.

To do this, the agency evaluated the level of English proficiency and to what degree people in its service area speak a language other than English and what those languages are. Data for this review is derived from the United States Census and the American Community Survey. The most recent data available for the state were the ACS 2018-2022 five-year estimates.

Service Area Overview

Hall Area Transit service area encompasses Hall County which includes the following cities: Gainesville, Flowery Branch, Oakwood, Claremont, Gillsville, Lula. Home to 192,000 people spread over 410 square miles, the service area's population speaks 10 different language groups. However, the overall numbers of residents who speak English 'less than very well' are very low. Of the total service area population of 192,000, 23,440 or 12% of the

Commented [AC13]: Number of people according to 2022 Census data of service area.

Commented [AC14]: Number of square miles of all service areas totaled. This is also found in the basic Census data.

Commented [AC15]: Delete if this is not true for your service area.

population of residents, report speaking English less than very well. A breakdown of the language groups, and those speaking English less than very well, are shown below.

	Hall County, Georgia	% of Population
Label	Estimate	
Total:	192,240	
Speak only English	134,875	
Spanish:	51,029	
Speak English "very well"	27,589	
Speak English less than "very well"	23,440	0.12
French, Haitian, or Cajun:	1,252	
Speak English "very well"	827	
Speak English less than "very well"	425	0.00
German or other West Germanic languages:	300	
Speak English "very well"	241	
Speak English less than "very well"	59	0.00
Russian, Polish, or other Slavic languages:	599	
Speak English "very well"	309	
Speak English less than "very well"	290	0.00
Other Indo-European languages:	934	
Speak English "very well"	698	
Speak English less than "very well"	236	0.00
Korean:	362	
Speak English "very well"	226	
Speak English less than "very well"	136	0.00
Chinese (incl. Mandarin, Cantonese):	217	
Speak English "very well"	178	
Speak English less than "very well"	39	
Vietnamese:	1,596	
Speak English "very well"	867	
Speak English less than "very well"	729	0.00

Tagalog (incl. Filipino):	396	
Speak English "very well"	369	
Speak English less than "very well"	27	0.00
Other Asian and Pacific Island languages:	374	
Speak English "very well"	309	
Speak English less than "very well"	65	0.00
Arabic:	120	
Speak English "very well"	71	
Speak English less than "very well"	49	0.00
Other and unspecified languages:	186	
Speak English "very well"	125	
Speak English less than "very well"	61	0.00

<https://data.census.gov/cedsci/> Table C16001

The Safe Harbor Provision

The U.S. Department of Transportation (U.S. DOT) has adopted the U.S. Department of Justice's Safe Harbor Provision. This provision outlines circumstances that can provide a "safe harbor" for U.S. DOT recipients (and sub-recipients) regarding translation of vital documents. Specifically, if a recipient provides written translation of vital documents for each LEP group that constitutes the lesser of 1,000 persons or five percent (5%) of the total population eligible to be served or likely to be affected or encountered, such action is considered strong evidence of compliance with the recipient's written translation obligations.

The Safe Harbor Provision only applies to the translation of written documents. It does not affect the agency's requirement to provide meaningful access to LEP individuals through oral language services.

A vital document is any document that is critical for ensuring meaningful access to the recipients' major activities and programs by beneficiaries generally and LEP persons specifically. Whether or not a document (or the information it solicits) is "vital" may depend upon the importance of the program, information, encounter, or service involved, and the

consequence to the LEP person if the information in question is not provided accurately or in a timely manner.

The data above shows that just one language meets the Safe Harbor threshold—Spanish. Hall County is home to 51,029 people (27% of the population) who speak Spanish, and 12% speak English less than very well. The number of people who speak other languages and English less than very well all comprise under 0.1% of the population each.

The number of people who speak other languages and English less than very well all comprise under 0.1% of the population each. These languages are: French, Haitian, Cajun, German/West Germanic, Russian/Polish/Slavic, Indo-European, Korean, Chinese, Vietnamese, Tagalog, Asian/Pacific Island and Arabic

Designation of Vital Documents

Based on the limited population of Spanish speakers who also speak English less than very well, Hall Area Transit designates the following as Vital Documents which be translated to LANGUAGE(S): Title VI Notice to the Public, Title VI Complaint Form, Title VI Complaint Procedures, ADA Complaint Form, Reasonable Modification Request Form and, Paratransit Eligibility Form, and ADA Rider Guide.

Factor Two: The frequency with which LEP persons come into contact with Agency services and programs.

Hall Area Transit recognizes the importance of taking measures to gauge LEP needs. The following three tools are used to monitor public transit passengers and interested parties.

1. Language Line: HAT employs the use of a language line to assist callers. In CY2023, 101 Spanish speaking callers were assisted and three French speaking callers were assisted.
2. WeGo Software: The software used to operate the WeGo microtransit service tracks for users who employ the Spanish translation feature.

Commented [AC16]: EXAMPLE ONLY. Insert your data. It should be a narrative that includes: 1) All languages that meet the Threshold; 2) A general description of the number or percent of other language speakers who did not meet the Threshold. See blue text for further examples, then DELETE BLUE TEXT>

Commented [AC17]: Delete Paratransit Eligibility Form if you do not provide Complementary Paratransit. This will generally only apply if you have fixed route service.

3. Surveys: Hall Area Transit's Annual Customer Service Surveys are produced in both English and Spanish. In any given year, some 15% of surveys respondents chose the Spanish survey document.
4. Operator Assessment: Hall Area Transit Vehicle Operators report that some 15% of passengers are Spanish speaking.

Factor Three: The Importance of the Agency's Service to People's Lives

Hall Area Transit services likely affect every community member in some way. Our transit services are used daily by people who do not have access to their own transportation. Our services allow riders access to grocery stores, medical appointments, work, social service agencies, social activities, and a variety of other essential destinations. Some LEP persons are immigrants with no legal way to access a driver's license at this time.

Finally, Hall Area Transit's planning process relies on input from the public. The agency's services are therefore important to LEP person's lives, and must be accessible to everyone, regardless of ability to speak English.

Factor Four: Resources and Costs for LEP Outreach

Hall Area Transit can meet the needs of its LEP population through relatively simple means. First, Hall Area Transit staff members who speak Spanish or any other foreign languages can be consulted or utilized for translation or interpretation in informal or emergency situations. In the event assistance in a rare language is needed, Hall Area Transit can reach out to the paid Language Line for professional assistance. Other free resources include the use of Google Translate or other technology-based translation services. Our agency can utilize Google Translate to interpret simple comments or messages left on our social media or in real time if necessary to communicate without advance warning an interpreter is needed.

Finally, Hall Area Transit will pay for document translation services when needed, which generally costs about \$25-\$35 per page. For example, the Spanish translation of vital documents included in this Program were completed by a paid professional.

Commented [AC18]: This template is written under the assumption most agencies will have very few, if any, languages that meet the Safe Harbor Threshold. If your agency does have a more diverse LEP population, RLS can work to advise you on what resources you should obtain, if you do not have anything in place.

The ideas in this section are ideas. If you do not/cannot perform any of these DELETE THEM.

Commented [AC19]: Delete if Spanish is NOT a threshold language for you. Otherwise, Spanish copies of your vital documents WILL be provided to you in this process.

These resources give our agency the ability to perform outreach with the LEP population at a reasonable cost.

Section 9: Language Assistance Plan

As a recipient of federal US DOT funding, Hall Area Transit is required to take reasonable steps to ensure meaningful access to our programs and activities by limited-English proficient (LEP) persons.

Limited English Proficient (LEP) refers to persons for whom English is not their primary language and who have a limited ability to read, write, speak, or understand English. This includes those who have reported to the U.S. Census that they speak English less than very well, not well, or not at all.

The **Hall Area Transit's** Language Assistance Plan includes the following elements:

1. The results of the *Four Factor Analysis*, including a description of the LEP population(s), served.
2. A description of how language assistance services are provided by language
3. A description of how LEP persons are informed of the availability of language assistance service
4. A description of how the language assistance plan is monitored and updated
5. A description of how employees are trained to provide language assistance to LEP persons

Four Factor Analysis Results: LEP Populations Served

Item #1 – Four Factor Analysis Results: LEP Populations Served

	Hall County, Georgia	% of Population
Label	Estimate	
Total:	192,240	
Speak only English	134,875	
Spanish:	51,029	
Speak English "very well"	27,589	
Speak English less than "very well"	23,440	0.12
French, Haitian, or Cajun:	1,252	
Speak English "very well"	827	
Speak English less than "very well"	425	0.00
German or other West Germanic languages:	300	
Speak English "very well"	241	
Speak English less than "very well"	59	0.00

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Russian, Polish, or other Slavic languages:	599	
Speak English "very well"	309	
Speak English less than "very well"	290	0.00
Other Indo-European languages:	934	
Speak English "very well"	698	
Speak English less than "very well"	236	0.00
Korean:	362	
Speak English "very well"	226	
Speak English less than "very well"	136	0.00
Chinese (incl. Mandarin, Cantonese):	217	
Speak English "very well"	178	
Speak English less than "very well"	39	
Vietnamese:	1,596	
Speak English "very well"	867	
Speak English less than "very well"	729	0.00
Tagalog (incl. Filipino):	396	
Speak English "very well"	369	
Speak English less than "very well"	27	0.00
Other Asian and Pacific Island languages:	374	
Speak English "very well"	309	
Speak English less than "very well"	65	0.00
Arabic:	120	
Speak English "very well"	71	
Speak English less than "very well"	49	0.00
Other and unspecified languages:	186	
Speak English "very well"	125	
Speak English less than "very well"	61	0.00

<https://data.census.gov/cedsci/> Table C16001

Item # 2 – Description of how Language Assistance Services are Provided, by Language

The Hall Area Transit has identified, developed, and uses the following:

- a) Spanish meets the Vital Documents threshold.
- b) Individuals who have contact with the public are provided with “I Speak” language cards to identify language needs in order to match them with available services. Language cards verified and distributed by the Director as need.
- c) The Hall Area Transit has developed partnerships with local agencies, organizations, law enforcement, colleges/universities, local school districts and social service agencies that are available to assist with it LEP responsibilities.
- d) Any other need for translated documents or interpretation services will be provided on an as-needed basis. That is, anyone requesting specific information in a non-English language will be provided it upon request. The agency will use its internal resources to meet this need, when available. Otherwise, the agency will reach out to the network of resources it has developed, or hire a translator or interpreter as needed.
- e) If your website includes a Google Translation widget, please list that here. If not, please consider it, and delete this line. PLM to ask CS.

Commented [BR20]: Ensure if your agency lists these language assistance services that you are able to implement them upon request

If you are NOT or will not use these, DELETE THEM, but you must still insert something about how you will provide language assistance (even if NO languages met the threshold, you are obligated to provide translations or interpreters upon request.)

Item #3 – Description of how LEP Persons are Informed of the Availability of Language Assistance Service

In order to ensure that LEP individuals are aware of Hall Area Transit’s language assistance measures, Hall Area Transit provides the following:

- Title VI Program including the Language Assistance Plan is made available on website, if applicable, and hard copy in central office.
- Drivers and dispatchers are provided “I Speak” language cards to identify language needs in order to match them with available services.
- The agency’s website includes language stating, “If you need assistance or information in another language, please contact 1(866) 874-3972. This message is provided in every language identified as meeting the safe harbor threshold, as well as all languages identified as representing at least 1% of the service area.

Commented [AC21]: Your agency will actually need to implement all of these steps. RLS will provide the statement, “If you need assistance or information in another language, please contact xxx” in all languages necessary during the review of your Program.

Item #4 – Description of how the Language Assistance Plan is Monitored and Updated

Hall Area Transit will continue to update the LEP plan as required by U.S. DOT. At a minimum, the Title VI Plan will continue to be reviewed and updated every three (3) years in conjunction with the Title VI submission and use data from the U.S. Decennial Census or the American Community Survey as available, or when it is clear that the concentrations of LEP individuals are present in the Hall Area Transit service area.

Updates will continue to include the following:

- The number of documented LEP person contacts encountered annually.
- How the needs of LEP persons have been addressed.
- Determination of the current LEP population in the service area.
- Determination as to whether the need for translation services has changed.
- Determine whether local language assistance programs have been effective and sufficient to meet the need.
- Determine whether Hall Area Transit's financial resources are sufficient to fund language assistance resources needed.
- Determine whether Hall Area Transit has fully complied with the goals of this LEP Plan.
- Determine whether complaints have been received concerning Hall Area Transit's failure to meet the needs of LEP individuals

Item #5 – Description of how Employees are Trained to Provide Language Assistance to LEP Persons
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The following training will be provided to Hall Area Transit staff:

- Information on the Hall Area Transit Title VI Procedures and LEP responsibilities.
- Description of language assistance services offered to the public.
- Use of "I Speak" language cards (used to identify language preference).
- Documentation of language assistance requests.
- Use of a Language Line
- How to handle a potential Title VI / LEP complaint.

"I Speak" Language Identification Card

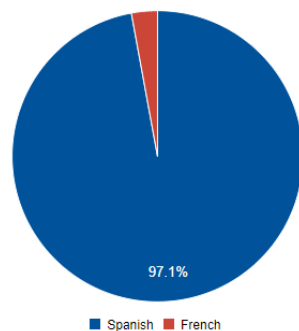
Note: For additional languages visit the US Census Bureau website

Mark this Box if you speak...	Language Identification Chart	Language
	Mark this box if you read or speak English	English
	Marque esta casilla si lee o habla español	Spanish
	Kos lub voj no yog koj paub twm thiab hais lus Hmoob	Hmong
	如果说中国在方框内打勾	Chinese
	Xin ñaùnh daáu vaø oâ naøy neáu quyù vò bieát ñoïc vaø noùi ñõõïc Vieät Ngõõ.	Vietnamese
	당신이한국어말할경우이 상자를표시	Korean
	Markahan itong kuwadrado kung kayo ay marunong magbasa o magsalita ng Tagalog.	Tagalog
	Kreuzen Sie dieses Kästchen an, wenn Sie Deutsch lesen oder sprechen	German
	Отметить этот флажок, если вы говорите по-русски	Russian
	Означите ову кућицу ако говорите српски	Serbian
	आप हद्दी बोलते हैं तो इस बक्से को चहिनति करें	Hindi
	پر نشان لگائیں تو اس باکس بولتے ہیں اردو اگر آپ	Urdu

<http://www.lep.gov/ISpeakCards2004.pdf>

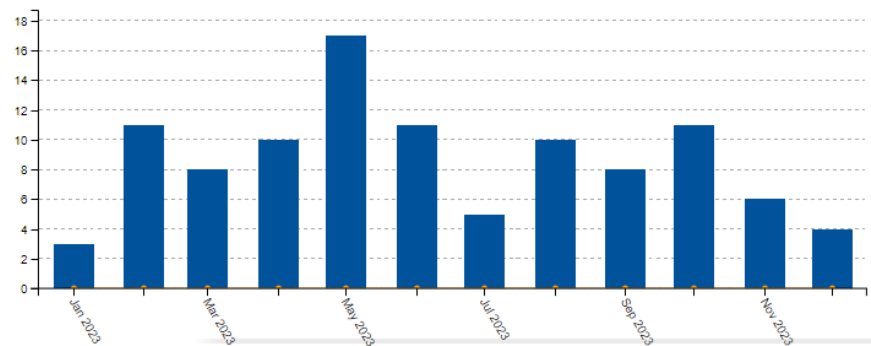
Summary of LEP Encounters in CY2023

Top 5 Languages



Language	Calls	Avg. Duration	Connect Time
Spanish	101	7 min	4s
French	3	20 min	2s

Call Volume



Solutions Summary

Audio

104 Calls

670 Total Minutes

6 Min Avg. Duration

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Section 10: Minority Representation Information

Recipients that have transit-related, non-elected planning boards, advisory councils or committees, or similar committees, *the membership of which is selected by the recipient*, must provide a table depicting the racial breakdown of the membership of those committees, and a description of efforts made to encourage the participation of minorities on such committees.

Hall Area Transit does not have any transit-related, non-elected planning boards, advisory councils or committees, or similar committees, the membership of which is selected by the recipient. This section is inapplicable.

Section 11: Providing Assistance to and Monitoring Subrecipients

1. Does agency provide funding to subrecipients?

☒ No, the agency does not have subrecipients.

Section 12: Title VI Equity Analysis for Facility Acquisition

Title 49 CFR, Appendix C, Section (3)(iv) requires “the location of projects requiring land acquisition and the displacement of persons from their residences and business may not be determined on the basis of race, color, or national origin.” For purposes of this requirement, “facilities” does not include bus shelters, as they are considered transit amenities. It also does not include transit stations, power substations, or any other project evaluated by the National Environmental Policy Act (NEPA) process. Facilities included in the provision include, but are not limited to, storage facilities, maintenance facilities, operations centers, etc. Has the agency built a facility?

☒ No, the agency has not built a facility.

☐ Yes, the agency has built a facility and completed a Title VI equity analysis to compare the equity impacts of various siting alternatives, and the analysis must occur before the selection of the preferred site. (Include at the end of the Title VI plan a copy of the Title VI equity analysis.)

Commented [AC22]: Check the applicable box. If you have sited a new facility in the past 3 years, please reach out to RLS (Amy) for assistance.

Section 13: Fixed Route Transit Providers Service Standards and Policies

FTA Circular 4702.1B, Chapter III, Paragraph 10: All fixed route transit providers shall set service standards and policies for each specific fixed route mode of service they provide.

Hall Area Transit:

☒ is a fixed route transit provider

☐ is **not** a fixed route transit provider

All Fixed Route Transit Providers must submit:

- All requirements set out in Chapter III (General Requirements)
 - Service standards
 - Vehicle load for each mode
 - Vehicle headway for each mode
 - On time performance for each mode
 - Service availability for each mode
 - Service policies
 - Transit Amenities for each mode
 - Vehicle Assignment for each mode

Hall Area Transit has adopted the following system-wide standards and policies to ensure service design and operations practices do not result in discrimination on the basis of race, color, or national origin. Service policies differ from service standards in that they are not necessarily based on a quantitative threshold.

Service Standards

FTA requires that all fixed route transit providers develop quantitative standards for all fixed route modes of operation for the following indicators. Hall Area Transit has prepared standards for all modes it operates including **seasonal fixed route trolley service called the Gainesville Trolley**.

a. Vehicle Load

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Commented [BR23]: Complete this section if you are a fixed route transit provider. The service policies and standards need completed if you are a fixed route provider.

See the additional requirements if you are a fixed route transit provider that operates 50 or more fixed route vehicles in peak service and are located in an Urbanized Area (UZA) of 200,000 or more in population

If you select that your agency is not a fixed route provider you may delete the example language included from "Service Standards" and "Service Policies"

Commented [AC24R23]: If you are NOT a fixed route provider, delete entire section after "is NOT a fixed route provider".

Commented [BR25]: All service standards and service policies should be tailored to the services provided by your agency and policies you are comfortable enforcing. The service standards may be shown in a table or paragraph format.

Examples of service standards and policies are included below.

Vehicle Type	Average Passenger Capacities			
	Seated	Standing	Total	Maximum Load Factor
30' Trolley Fixed Route	30	10	40	4.1
27' Cut-away (Microtransit Demand Response)	15	5	20	.27
15' Cut-away (Microtransit Demand Response)	10	0	10	.27
12' Cut-away (Microtransit Demand Response)	8	0	8	.27

b. Vehicle Headway

POLICY HEADWAYS AND PERIODS OF OPERATION FOR WEGO MICROTRANSIT VANPOOL SERVICE				
<u>WEEKDAY</u>	<u>Peak</u>	<u>Base</u>	<u>Evening</u>	<u>Night</u>
Urban Radial	15	14	14	"—"
Cross-Town	45	45	45	"—"
Feeder	15	15	15	"—"
<i>* Peak: 6:00-9:00 am and 12:00-7:30 pm; Base 9am – 12noon; Evening: 7:30-9:00 pm; "--" means no service is provided during that time period.</i>				

POLICY HEADWAYS AND PERIODS OF OPERATION FOR GAINESVILLE TROLLEY			
<u>SATURDAY</u>	<u>Day</u>	<u>Evening</u>	<u>Night</u>
Regional Trunk	--	--	--
Urban Radial	45	45	45
Cross-Town	--	--	--
<i>* Day 7am - 6pm; Evening: 6-9:30 pm; Night: 9:30pm – Midnight; "--" means no service is provided during that time period.</i>			

c. On-Time Performance

A vehicle is considered on time if it departs a scheduled time point no more than one (1) minute early and no more than five (5) minutes late. The Hall Area Transit on-time performance objective is 90% or greater. Hall Area Transit continuously monitors on-time performance and system results are published and posted as part of monthly performance reports covering all aspects of operations.

d. Service Availability

Hall Area Transit will distribute transit service so that 100% of all residents in the service area are within a ¼ mile walk of bus service.

Service Policies

FTA requires fixed route transit providers to develop a policy for service indicators. Hall Area Transit has prepared the following policies for its transit system.

a. Distribution of Transit Amenities

Installation of transit amenities along bus and rail routes are based on the number of passengers boarding at stops and stations along those routes.

b. Vehicle Assignment

Vehicles used for the WeGo Microtransit Vanpool Service are assigned countywide and the average age of the fleet serving the county does not exceed 7 years. Are vehicles are equipped with heating, air, 3-point seatbelts, wheelchair restrains and wheelchair ramps or lifts. The nature of the WeGo Vanpool Service is such that drivers pick-up and drop-off passengers curb to curb as requested by the passenger. Buses are equally equipped and are of similar mechanical disposition. These vehicles are randomly dispersed throughout the county based on passenger demand.

Vehicles used for the Gainesville Trolley serve neighborhoods within five miles of the downtown center as the service functions to bring nearby residents in town for dinning, retail and recreational experiences. The fleet of two trolleys are the same age and mechanical disposition. They are equipped with heating, air, wheelchair restrains and wheelchair lifts. The trollies operate seasonally from May to September and again from November through December.



CITY OF GAINESVILLE

Mayor/Council Agenda Request

Item Created: September 12, 2024
Date Submitted: September 12, 2024
Final Approval Date: September 12, 2024
Presenter: Bryan Lackey, City Manager
Item of Business: Business Resolution 2024-40
Water and Sewerage Revenue Bonds, Series 2024
Meeting Date: September 17, 2024

Purpose of Request:

To authorize the issuance of the Water and Sewerage Revenue Bonds, Series 2024, refunding the Series 2014 Bonds, and paying the costs of issuing the Series 2024 Bonds.

Facts & Issues / History & Background:

Authorize the issuance of revenue bonds to be designated "City of Gainesville, Georgia Water and Sewerage Revenue Bonds, Series 2024" for the purpose of financing the Series 2024 projects, refunding the Series 2014 Bonds, and paying the costs of issuing the Series 2024 Bonds.

Department Recommendation:

Recommend the issuance of the City of Gainesville, Georgia Water and Sewerage Revenue Bonds, Series 2024 thereby adoption of the resolution.

Department Director:

Bryan Lackey

If funding is involved, are funds approved within the current budget? No

Amount Requested:

Sources of Funds:

Finance Comments:

Administrative Comments:

Attachments:

1. BR-2024-40 Parity Bond Resolution Water and Sewerage Bonds, Series 2024
2. Bond Purchase Agreement Gainesville W S (00156550xA91E4)
3. Continuing Disclosure Certificate (Gainesville W S 2024) (00156602-2xA91E4)
4. Escrow Deposit Agreement (Gainesville W S 2024) (00156646-3xA91E4)
5. Official Statement Gainesville W S 2024 (00156342-8xA91E4)

RESOLUTION BR-2024-40

PARITY BOND RESOLUTION

A RESOLUTION OF THE CITY OF GAINESVILLE, GEORGIA TO PROVIDE FOR THE ISSUANCE, PURSUANT TO AND IN CONFORMITY WITH A RESOLUTION ADOPTED ON OCTOBER 25, 2001, AS AMENDED BY SUPPLEMENTAL RESOLUTIONS ADOPTED ON OCTOBER 4, 2005, OCTOBER 20, 2005, NOVEMBER 16, 2006, NOVEMBER 18, 2014, DECEMBER 16, 2014, NOVEMBER 3, 2015, AND SEPTEMBER 15, 2016 OF CITY OF GAINESVILLE, GEORGIA WATER AND SEWERAGE REVENUE BONDS SERIES 2024, TO FINANCE, IN WHOLE OR IN PART, THE COSTS OF IMPROVEMENTS TO THE WATER AND SEWERAGE SYSTEM OF THE CITY OF GAINESVILLE, GEORGIA NOW CONTEMPLATED AND THE REFUNDING, BY REDEMPTION OR PAYMENT, OF THE OUTSTANDING CITY OF GAINESVILLE, GEORGIA WATER AND SEWERAGE REFUNDING REVENUE BONDS, SERIES 2014 MATURING ON AND AFTER NOVEMBER 15, 2025; TO REAFFIRM AND ADOPT ALL APPLICABLE TERMS, PROVISIONS, COVENANTS AND CONDITIONS OF SAID RESOLUTIONS ADOPTED ON OCTOBER 25, 2001, AS AMENDED BY SUPPLEMENTAL RESOLUTIONS ADOPTED ON OCTOBER 4, 2005, OCTOBER 20, 2005 AND NOVEMBER 16, 2006, NOVEMBER 18, 2014, DECEMBER 16, 2014, NOVEMBER 3, 2015, AND SEPTEMBER 15, 2016; TO PROVIDE FOR THE CREATION AND MAINTENANCE OF CERTAIN FUNDS; TO PROVIDE REMEDIES FOR THE OWNERS OF SAID BONDS; AND FOR OTHER PURPOSES.

WHEREAS, under and by virtue of the authority of the Constitution and laws of the State of Georgia, including specifically, but without limitation, Article 3 of Chapter 82 of Title 36 of the Official Code of Georgia Annotated, known as the “Revenue Bond Law”, as amended (the “Revenue Bond Law”), the City of Gainesville, Georgia (the “City”), acting by and through its governing body, is authorized to operate and maintain a system, plant, work, instrumentality, and property used or useful in connection with (i) the obtaining of a water supply and the conservation, treatment, and disposal of water for public and private uses, and (ii) the collection, treatment, and disposal of sewage, waste, and storm water, together with all parts of any such undertaking and all appurtenances thereto; and

WHEREAS, the Revenue Bond Law authorizes the City to issue revenue bonds (a) to finance, in whole or in part, the cost of the acquisition, construction, reconstruction, improvement, betterment, or extension of any undertaking, including any of the undertakings specified above, and (b) at any time to refund or refinance, in whole or in part, all outstanding revenue bonds and all obligations or debt of any nature against any existing undertaking or any combination thereof, including any of the undertakings specified above, or its anticipated revenue; and

WHEREAS, the City currently owns, operates, and maintains a water and sewerage system (such system, as now existent and as hereafter added to, extended, improved, and equipped, hereinafter sometimes referred to as the “System”); and

RESOLUTION BR-2024-40

PARITY BOND RESOLUTION

WHEREAS, the City, acting by and through its governing body, consisting of the Mayor and City Council Members of the City of Gainesville, Georgia (the “Council”), by a master bond resolution duly and validly adopted on October 25, 2001, as supplemented on October 4, 2005 (collectively, the “2001 Resolution”), a resolution adopted by the City on October 20, 2005 (the “2005 Resolution”), a parity bond resolution adopted by the City on November 16, 2006 (the “2006 Resolution”) a parity bond resolution adopted by the City on November 18, 2014 (the “2014 Resolution”) as supplemented on December 16, 2014 (the “2014 Supplemental Resolution”) as supplemented by a resolution adopted on November 3, 2015 (the “2015 Supplemental Resolution”) and a resolution adopted by the City on September 15, 2016 (the “2016 Supplemental Resolution” and together with the 2001 Resolution, the 2005 Resolution, the 2014 Resolution, the 2014 Supplemental Resolution and the 2015 Supplemental Resolution, the “Original Resolution”), authorized, issued, and delivered (1) \$57,535,000 in aggregate principal amount of the City’s Water and Sewerage Revenue Bonds, Series 2001 (the “Series 2001 Bonds”); (2) \$52,570,000 in aggregate principal amount of the City’s Water and Sewerage Refunding Revenue Bonds, Series 2005 (the “Series 2005 Bonds”); (3) \$39,205,000 in aggregate principal amount of the City’s Water and Sewerage Refunding Revenue Bonds, Series 2006 (the “Series 2006 Bonds”); (4) \$83,650,000 in aggregate principal amount of the City’s Water and Sewerage Refunding Revenue Bonds, Series 2014 (the “Series 2014 Bonds”); (5) \$17,865,000 in aggregate principal amount of the City’s Water and Sewerage Refunding Revenue Bonds, Series 2015 (the “Series 2015 Bonds”); and (6) \$26,910,000 in aggregate principal amount of the City’s Water and Sewerage Refunding Revenue Bond, Series 2016 (the “Series 2016 Bond”); and

WHEREAS, under the terms of the Original Resolution, the Series 2014 Bonds are the only obligations currently outstanding under the Original Resolution.

WHEREAS, the Series 2014 Bonds are secured by a first lien on the net revenues of the System; and

WHEREAS, the City proposes issuing its Water and Sewerage Revenue Bonds, Series 2024 in the aggregate principal amount of [PAR Amount] (the “Series 2024 Bonds”) for the purpose of (a) making certain improvements to the System (the “Series 2024 Project”) (b) refunding the Series 2014 Bonds maturing on and after November 15, 2025 (the “Refunded Bonds”), and (c) paying the costs of issuing the Series 2024 Bonds; and

WHEREAS, the Series 2014 Bonds excluding the Refunded Bonds are referred to herein as the “Prior Bonds;” and

WHEREAS, it was provided in Section 3 of Article V of the Original Resolution that additional revenue bonds or obligations could be issued, from time to time, ranking as to lien on the Net Revenues of the System *pari passu* with the Prior Bonds upon meeting certain terms and conditions, as set forth therein, which are in part, as follows:

- (a) None of the Bonds then outstanding are in default as to principal and interest and the City is in compliance with the Original Resolution.

RESOLUTION BR-2024-40

PARITY BOND RESOLUTION

(b) The payments covenanted to be made into the Debt Service Account, the Reserve Account and the Swap Payments Account within the Sinking Fund must be currently being made in the full amount as required and the Debt Service Account and Reserve Account held within said Sinking Fund must be at their proper respective balances.

(c) (i) A firm of independent certified public accountants shall have certified that (A) for a period of 12 full consecutive calendar months out of the 18 consecutive calendar months preceding the month of the adoption of proceedings for the issuance of such additional bonds or (B) for the most recent audited fiscal year, the Maximum Annual Debt Service Coverage Ratio (excluding for calculation of the Debt Service Requirement any Bonds which are to be refunded and defeased by such proposed additional bonds and including for calculation of the Debt Service Requirement the proposed Additional Bonds which are to be issued), shall not be less than 1.10; or (ii) if a new schedule of rates and charges has been adopted for the services, facilities and commodities furnished by the System, the consulting engineer for the City shall have certified that had the new schedule of rates and charges been adopted throughout such specified period the test specified in (i) would have been met; or (iii) the consulting engineer shall certify that the Maximum Annual Debt Service Coverage Ratio (including for calculation of the Debt Service Requirement the proposed additional bonds which are to be issued) for each of the first three full Sinking Fund Years subsequent to the acquisition or completion of the facilities to be financed with the Additional Bonds shall not be less than 1.20; and

WHEREAS, the City has determined that all of the requirements of Section 3 of Article V of the Original Resolution relating to the issuance of Additional Bonds or obligations will be met on or prior to the issuance of the Series 2024 Bonds; and

WHEREAS, upon provision having been duly and legally made for the payment and redemption of all of the Refunded Bonds now outstanding, the Original Resolution shall be null and void and of no force and effect with respect to the Refunded Bonds; and

WHEREAS, in anticipation of the refunding of the Refunded Bonds, the City proposes to authorize the execution, delivery and performance of an Escrow Deposit Agreement, dated as of the first day of the month in which the Series 2024 Bonds are issued with respect to the refunding of the Refunded Bonds (the "Escrow Agreement"), among the City, Bank of New York Mellon Trust Company, N.A., as paying agent for the Refunded Bonds and Bank of New York Mellon Trust Company, N.A., as escrow agent; and

WHEREAS, the City proposes to ratify the distribution of the Preliminary Official Statement, dated [POS DATE] (the "Preliminary Official Statement") relating to the Series 2024 Bonds and authorize the execution and distribution of an Official Statement, dated September 17, 2024 (the "Official Statement") related to the Series 2024 Bonds; and

WHEREAS, the City and Raymond James & Associates, Inc., as underwriter (the

RESOLUTION BR-2024-40

PARITY BOND RESOLUTION

“Underwriter”), also propose to enter into a Bond Purchase Agreement, dated September 17, 2024 (the “Bond Purchase Agreement”), pursuant to which the Underwriter will buy the Bonds from the City and resell them to the purchasers of the Series 2024 Bonds; and

WHEREAS, the City and Regions Bank also propose to enter into a Custodial Agreement, dated as of October 1, 2024 (the “Custodial Agreement”); and

WHEREAS, the City and Regions Bank also propose to enter into a Paying Agency Agreement, dated as of October 1, 2024 (the “Paying Agency Agreement”); and

NOW, THEREFORE, BE IT RESOLVED by the governing body of the City of Gainesville, Georgia, and it is hereby resolved by authority of the same, as follows:

RESOLUTION BR-2024-40

PARITY BOND RESOLUTION

ARTICLE I

DEFINITIONS

Section 1. Ratification and Incorporation. Except as provided in Sections 2 and 3 below or in the preambles hereof, all terms and provisions of Article I of the Original Resolution are hereby ratified and incorporated herein.

Section 2. Additional Definitions. The following terms are intended to have the meanings set forth below, unless the context shall clearly indicate another or different meaning or intent.

“Debt Service Reserve Requirement” means, (a) with respect to the Series 2024 Bonds an amount equal to \$0 and, (b) with respect to Additional Bonds, the amount, if any, set forth in the resolution authorizing the issuance of such Additional Bonds.

“Record Date” shall mean the 15th day (whether or not a business day) next preceding an Interest Payment Date.

“Series 2024 Bonds” means the City of Gainesville, Georgia Water and Sewerage Revenue Bonds authorized to be issued pursuant to the Original Resolution and Article II of this resolution.

“Series 2024 Project” means the improvements to the System, including but not limited to, improvements to the Flat Creek Water Reclamation Facility, the Riverside Drive Water Treatment Plant and the Lakeside Water Treatment Plant.

Section 3. Replaced Definition.

The definition of “Projects” is hereby replaced with the following:

“Projects” means the Series 2024 Project and any additional projects related to the System financed with proceeds of Additional Bonds.

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PARITY BOND RESOLUTION

ARTICLE II

AUTHORIZATION, FORM AND REGISTRATION OF SERIES 2024 BONDS

Section 1. Authorization. Under the authority of the Revenue Bond Law, there is hereby authorized to be issued revenue bonds to be designated “City of Gainesville, Georgia Water and Sewerage Revenue Bonds, Series 2024” in an aggregate principal amount of [PAR Amount] for the purpose of (a) financing the Series 2024 Project, (b) refunding the Series 2014 Bonds maturing on and after November 15, 2025 (the “Refunded Bonds”), and (c) paying the costs of issuing the Series 2024 Bonds. The issuance of the Series 2024 Bonds for the foregoing purposes is hereby found and declared to be within the public purposes intended to be served by the City. The Series 2024 Bonds shall be payable solely from the Net Revenues.

Section 2. Terms of Series 2024 Bonds. (a) The Series 2024 Bonds shall be dated their date of issuance, shall be in the form of fully registered bonds without coupons, shall be in the denomination of \$5,000 or any integral multiple thereof, shall be transferable to subsequent owners as hereinafter provided, shall be numbered R-1 upward, shall bear interest (based on a 360-day year comprised of twelve thirty-day months) from the Interest Payment Date (hereinafter defined) next preceding their date of authentication to which interest has been paid (unless their date of authentication is an Interest Payment Date, in which case from such Interest Payment Date, unless their date of authentication is after a Record Date but before an Interest Payment date, in which case from the next Interest Payment Date, or unless their date of authentication is before the first Interest Payment Date, in which case from their date of issuance) at the rates per annum specified below. The interest shall be payable semiannually on the 15th days of May and November in each year (each such date an “Interest Payment Date”), commencing May 15, 2025, and the principal shall mature on November 15 in the years and amounts set forth below.

Series 2024 Bonds

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
	\$	%

When the Series 2024 Bonds are held in Book-Entry Form, the principal of and interest on the Series 2024 Bonds shall be payable in accordance with the rules of the Securities Depository as provided in Section 10. In the event that the Series 2024 Bonds are no longer held in Book-Entry Form, the principal amount of the Series 2024 Bonds shall be payable at maturity (unless redeemed prior thereto as hereinafter provided) upon presentation and surrender thereof at the principal corporate trust office of the Paying Agent. In the event that the Series 2024 Bonds are no longer held in Book-Entry Form, payments of interest on the Series 2024 Bonds shall be made by check or draft payable to the registered owner as shown on the bond

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PARITY BOND RESOLUTION

registration book kept by the Bond Registrar at the close of business on the Record Date, and such payments of interest shall be mailed by first class mail to the registered owner at the address shown on the bond registration book. Notwithstanding the foregoing, interest on the Series 2024 Bonds shall be paid to any registered owner of more than \$1,000,000 in aggregate principal amount of the Series 2024 Bonds by wire transfer to such registered owner if written instructions are given to the Paying Agent prior to the Record Date, and interest shall continue to be so paid until such wire instructions are revoked in writing. Both the principal of and interest on the Series 2024 Bonds shall be payable in lawful money of the United States of America.

Section 3. Execution; Form of Series 2024 Bonds. The Series 2024 Bonds shall be executed on behalf of the City by the manual or facsimile signature of the Mayor or Mayor Pro-Tem and attested by the manual or facsimile signature of the Clerk or the Assistant Clerk, and the official seal of the City shall be impressed or imprinted thereon. The Series 2024 Bonds shall be authenticated by the manual signature of a duly authorized signatory of the Bond Registrar. The validation certificate to be printed on the Series 2024 Bonds shall be executed by the manual or facsimile signature of the Clerk of the Superior Court of Hall County, and the official seal of such Court shall be impressed or imprinted thereon. In case any official whose signature shall appear on the Series 2024 Bonds shall cease to be such officer before delivery of the Series 2024 Bonds, such signature shall nevertheless be valid and sufficient for all purposes the same as if such officer had remained in office until such delivery. The Series 2024 Bonds, the certificate of authentication and registration, form of assignment and the certificate of validation to be endorsed upon the Series 2024 Bonds, shall be in substantially the following form, with such variations, omissions and insertions as are required or permitted by this resolution:

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PARITY BOND RESOLUTION

[FORM OF BOND]

No. R-_____ \$ _____

UNITED STATES OF AMERICA
STATE OF GEORGIA
CITY OF GAINESVILLE, GEORGIA
WATER AND SEWERAGE REVENUE BOND,
SERIES 2024

BOND DATE:	MATURITY DATE:	INTEREST RATE:	CUSIP:
October __, 2024	November 15, ____	____%	_____

FOR VALUE RECEIVED, the City of Gainesville, Georgia (hereinafter sometimes referred to as the “City”), a municipal corporation of the State of Georgia, hereby promises to pay solely from the special fund provided therefor, as hereinafter set forth, to Cede & Co., as nominee of The Depository Trust Company (“DTC”), or registered assigns, the principal sum set forth above in lawful money of the United States of America, on the date specified above, unless redeemed prior thereto as hereinafter provided, upon presentation and surrender hereof at the designated corporate trust office of Regions Bank, Atlanta, Georgia, Paying Agent and Bond Registrar, and to pay to the registered owner hereof interest on the principal amount from the Interest Payment Date (hereinafter defined) next preceding this bond’s date of authentication to which interest has been paid (unless this bond’s date of authentication is an Interest Payment Date, in which case from such Interest Payment Date, unless this bond’s date of authentication is after a record date but before an Interest Payment date, in which case from the next Interest Payment Date, or unless this bond’s date of authentication is before the first Interest Payment Date, in which case from October 3, 2024), at the rate per annum specified above, on [May 15, 2025] and semi-annually thereafter on the 15th day of May and November in each year (each an “Interest Payment Date”), until payment of the principal amount hereof. This bond is being issued in book-entry form (the “Book-Entry Form”). As long as this bond is held in Book-Entry Form, the principal of and interest on this bond shall be paid by wire transfer to DTC, or a successor securities depository (the “Securities Depository”). In the event that this bond is no longer held in Book-Entry Form, the principal of and interest on this bond shall be paid in the manner described in the 2024 Resolution (hereinafter defined).

This bond is one of a duly authorized issue of City of Gainesville, Georgia Water and Sewerage Revenue Bonds, Series 2024, in the aggregate principal amount of \$[PAR Amount], of like tenor, except as to designation, bond dates, numbers, denominations, interest rates, dates of maturity and redemption provisions, (hereinafter sometimes referred to collectively as the “Series 2024 Bonds”) issued for the purpose of (a) making certain improvements to the City’s water and sewerage system (the “System”) (b) refunding the Series 2014 Bonds maturing on and after November 15, 2025 (the “Refunded Bonds”), and (c) paying the costs of issuing the Series 2024 Bonds. The Series 2024 Bonds are issued under authority of the Constitution of the State of Georgia and the Revenue Bond Law (O.C.G.A. Section 36-82-60

RESOLUTION BR-2024-40

PARITY BOND RESOLUTION

et seq., as amended) and were duly authorized by a resolution of the City adopted on October 25, 2001, as supplemented on October 4, 2005, a resolution adopted by the City on October 20, 2005, a parity bond resolution adopted by the City on November 16, 2006, a parity bond resolution adopted by the City on November 18, 2014, as supplemented on December 16, 2014, as supplemented by a resolution adopted on November 3, 2015, and a resolution adopted by the City on September 15, 2016, and a parity bond resolution adopted by the City on September 17, 2024 (the “2024 Resolution” and collectively, the “Resolution”).

The Series 2014 Bonds (as defined in the Resolution) remaining outstanding upon the issuance of the Series 2024 Bonds (the “Prior Bonds”), and the Series 2024 Bonds are secured by a first lien on the Net Revenues (as defined in the Resolution) of the System. In addition to the Prior Bonds and the Series 2024 Bonds, the City may issue, under certain terms and conditions as provided in the Resolution, additional revenue bonds (the “Additional Bonds” and together with the Prior Bonds and the Series 2024 Bonds, the “Bonds”), and if issued, such Additional Bonds will rank on a parity as to lien on the Net Revenues of the System with the Prior Bonds and the Series 2024 Bonds. Reference to the Resolution is hereby made for a complete description of the funds charged with, and pledged to, the payment of the principal of and the interest on the Series 2024 Bonds, the nature and extent of the security therefor, a statement of rights, duties and obligations of the City, the rights of the owners of the Series 2024 Bonds, and the terms and provisions under which Additional Bonds may be issued, to all the provisions of which the owner hereof, by the acceptance of this bond, assents.

This bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Resolution until this bond shall have been authenticated and registered upon the bond registration book of the City kept for that purpose by the Bond Registrar, which authentication and registration shall be evidenced by the execution by the manual signature of a duly authorized officer of the Bond Registrar of the certificate hereon.

The Series 2024 Bonds are being issued in Book-Entry Form. Actual Series 2024 Bonds are not available for distribution to the owners thereof (the “Beneficial Owners”), except under the limited circumstances set forth in the Resolution. The principal of and interest on the Series 2024 Bonds are payable by the Paying Agent to the Securities Depository or its nominee by wire transfer. Transfer of principal and interest payments to participants of the Securities Depository is the responsibility of the Securities Depository, and transfers of principal and interest to Beneficial Owners by participants of the Securities Depository will be the responsibility of such participants. Transfers of ownership shall be effected on the records of the Securities Depository and its participants pursuant to rules and procedures established by the Securities Depository and its participants. The City and the Paying Agent will recognize the Securities Depository as the owner of the Series 2024 Bonds for all purposes, including (a) payments of principal of and interest on the Series 2024 Bonds, (b) notices and (c) voting. The City and the Paying Agent 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.

RESOLUTION BR-2024-40

PARITY BOND RESOLUTION

If the Series 2024 Bonds are no longer held 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 Bond Registrar by the registered owner hereof in person, or by his or her attorney duly authorized in writing, upon presentation and surrender to the Bond Registrar 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, in the same aggregate principal amount and of the same maturity and series shall be issued to the transferee in exchange therefor. In addition, if the Series 2024 Bonds are no longer held 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 Bond Registrar for an equal aggregate principal amount of Series 2024 Bonds of the same maturity and series and in any authorized denominations. The Bond Registrar may make a charge for every exchange or registration of transfer of the Series 2024 Bonds sufficient to reimburse it for any tax or other governmental charge required to be paid with respect to such exchange or registration of transfer, but no other charge shall be made to the owner for the privilege of exchanging or registering the transfer of a Series 2024 Bond.

This bond shall not be deemed to constitute a debt of the State of Georgia or the City, nor a pledge of the faith and credit of said State or City, nor shall the State or City be subject to any pecuniary liability hereon. This bond is payable solely from the special fund provided therefor. No owner of this bond shall ever have the right to enforce payment hereof against any other property of the City, nor shall this bond constitute a charge, lien or encumbrance, legal or equitable, upon any other property of the City. The issuance of this bond shall not directly, indirectly or contingently obligate said State or said City to levy or to pledge any form of taxation whatever therefor or to make any appropriation for its payment.

The Series 2024 Bonds maturing on or after November 15, [2035], shall be subject to redemption at the option of the City, in whole or in part, in any order of maturity, on any date on or after November 15, [2034], at a redemption price of 100% of the principal amount of the Series 2024 Bonds to be redeemed, plus accrued interest to the redemption date.

The Series 2024 Bonds maturing on November 15, [20__] are subject to mandatory sinking fund redemption prior to their maturity at a redemption price equal to 100% of the principal amount thereof being redeemed, plus accrued interest to the redemption date, on November 15 of the following years and in the following amounts (the November 15, [20__] amount to be paid rather than redeemed):

<u>Year</u>	<u>Amount</u>
-------------	---------------

RESOLUTION BR-2024-40

PARITY BOND RESOLUTION

Notice designating the Series 2024 Bonds to be acquired by redemption, as aforesaid, shall be mailed, postage prepaid, not more than sixty (60) nor less than thirty (30) days prior to the redemption date, to all registered owners of the Series 2024 Bonds to be redeemed in whole or in part at the addresses which appear in the bond registration book as of the date of such notice. Such notice may state the conditions for such redemption. Failure to mail any such notice or any defect therein shall not affect the validity of the proceedings for redemption for any Series 2024 Bonds for which notice was properly mailed. Failure to receive any such notice shall not affect the validity of the proceedings for redemption.

To the extent and in the manner permitted by the Resolution, modifications, alterations, amendments, additions and revisions of the provisions of the Resolution or of any resolution supplemental thereto or of the Series 2024 Bonds, may be made by the City without the consent of the owners of the Bonds in certain circumstances and with the consent of the owners of a majority of the principal amount of the Bonds outstanding in other circumstances.

This bond is issued with the intent that the laws of the State of Georgia shall govern its construction. In case of default, the owner of this bond shall be entitled to the remedies provided by the Resolution and the Revenue Bond Law.

It is hereby recited and certified that all acts, conditions and things required to be done precedent to and in the issuance of this bond have been done, have happened and have been performed in due and legal form as required by law, and that provision has been made for the allocation from the anticipated revenues of the System, of amounts sufficient to pay the principal of and the interest on all of the Series 2024 Bonds as same mature, or are acquired by mandatory redemption, and such revenues are irrevocably allocated and pledged to the payment thereof and the interest thereon.

RESOLUTION BR-2024-40

PARITY BOND RESOLUTION

IN WITNESS WHEREOF, the City of Gainesville, Georgia has caused this bond to be executed by the manual or facsimile signature of its Mayor and its official seal to be impressed or imprinted hereon and attested by the manual or facsimile signature of its Clerk, as of the date above.

CITY OF GAINESVILLE, GEORGIA

(SEAL)

By: _____
W. Samuel Couvillon, Mayor

ATTEST:

Alisa Grayson, Deputy City Clerk

RESOLUTION BR-2024-40

PARITY BOND RESOLUTION

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This bond is one of the Series 2024 Bonds described in the resolution of September 17, 2024.

DATE OF AUTHENTICATION AND REGISTRATION: October __, 2024

REGIONS BANK
as Bond Registrar

By: _____
Authorized Signatory

RESOLUTION BR-2024-40

PARITY BOND RESOLUTION

VALIDATION CERTIFICATE

STATE OF GEORGIA)
)
COUNTY OF HALL)

The undersigned Clerk of the Superior Court of Hall County, State of Georgia, HEREBY CERTIFIES that this bond was validated and confirmed by judgment of the Superior Court of Hall County, Georgia, on the ____ day of October, 2024, and that no intervention or objection was filed in the proceedings validating same and that no appeal from said judgment of validation has been taken.

WITNESS, my manual or facsimile signature and seal of the Superior Court of Hall County, Georgia.

(SEAL)

Clerk, Superior Court
Hall County, Georgia

RESOLUTION BR-2024-40

PARITY BOND RESOLUTION

ASSIGNMENT

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

please print or typewrite name and address including postal zip code of assignee
the within bond and all rights thereunder, hereby constituting and appointing _____
attorney to transfer this bond on the bond registration books kept for such purpose by the Bond
Registrar, with full power of substitution in the premises.

DATED: _____

Signature Guaranteed
whatever.

Notice: the signature to this assignment must correspond with
the name as it appears upon the face of the within bond in every
particular, without alteration or enlargement or any change

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

(END OF BOND FORM)

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PARITY BOND RESOLUTION

Required Authentication; Proof of Ownership. Only those Series 2024 Bonds which shall have endorsed thereon a certificate of authentication and registration substantially in the form hereinbefore set forth, duly executed by the manual signature of an authorized officer of the Bond Registrar shall be entitled to any benefit or security under this resolution and such certificate upon any of Series 2024 Bonds when duly executed shall be conclusive evidence that such Series 2024 Bonds have been duly authenticated, registered and delivered. It shall not be necessary that the same authorized signatory of the Bond Registrar sign the certificate of authentication and registration on all of the Series 2024 Bonds that may be issued hereunder at any one time. The person in whose name any Series 2024 Bond shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes and the payment of the principal of and interest on the Series 2024 Bonds shall be made only to or upon the order of the registered owner thereof. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Series 2024 Bonds, and the interest thereon to the extent of the sums so paid.

Section 4. Bond Registrar; Transfer and Exchange. The Bond Registrar shall keep the bond registration book of the City for the registration of the Series 2024 Bonds and for the registration of transfers of the Series 2024 Bonds as herein provided. When the Series 2024 Bonds are held in Book-Entry Form, Series 2024 Bonds may be transferred and exchanged in accordance with the rules of the Security Depository. In the event that the Series 2024 Bonds are no longer held in Book-Entry Form, the transfer of any Series 2024 Bond shall be registered upon the registration book upon the surrender and presentation of the Refunding Bond to the Bond Registrar duly endorsed for transfer or accompanied by an assignment duly executed by the registered owner or attorney duly authorized in writing in such form as shall be satisfactory to the Bond Registrar. Upon any such registration of transfer, the Bond Registrar shall authenticate and deliver in exchange for such Series 2024 Bond or Series 2024 Bonds so surrendered, a new Series 2024 Bond or Series 2024 Bonds registered in the name of the transferee, of any denomination or denominations authorized by this resolution, of the same series, and in an aggregate principal amount or maturity amount equal to the aggregate principal amount or maturity amounts of the Series 2024 Bonds so surrendered and of the same maturity. In the event that the Series 2024 Bonds are no longer held in Book-Entry Form, any Series 2024 Bond, upon presentation and surrender thereof to the Bond Registrar, together with an assignment duly executed by the registered owner or duly authorized attorney, in such form as may be satisfactory to the Bond Registrar, may be exchanged, at the option of the registered owner, for an aggregate principal amount of Series 2024 Bonds of the same series, type and maturity equal to the principal amount of the Series 2024 Bond so surrendered and of any authorized denomination or denominations. The Bond Registrar may make a charge for every exchange or registration of transfer of the Series 2024 Bonds sufficient to reimburse it for any tax or other governmental charge required to be paid with respect to such exchange or registration of transfer, but no other charge shall be made to the owner for the privilege of exchanging or registering the transfer of Series 2024 Bonds under this resolution.

Section 5. Lost, Destroyed, Mutilated Series 2024 Bonds. If any of the Series 2024 Bonds shall become mutilated, the Bond Registrar in its discretion and at the expense of the owner of such Series 2024 Bond shall authenticate and deliver a new Series 2024 Bond of like tenor registered in the name of the owner in exchange and substitution for such mutilated Series

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PARITY BOND RESOLUTION

2024 Bond. If any Series 2024 Bond shall become lost, destroyed or wrongfully taken, evidence of such loss, destruction or wrongful taking within a reasonable time thereafter may be submitted to the City and if such evidence shall be satisfactory and indemnity of a character and in an amount satisfactory to the City shall be given, then the City shall at the expense of the owner cause a new bond of like tenor registered in the name of the owner to be authenticated by the Bond Registrar and delivered to the registered owner.

Section 6. Blank Bonds. The City shall make all necessary and proper provisions for the transfer and exchange of the Series 2024 Bonds by the Bond Registrar and the City shall deliver or cause to be delivered to the Bond Registrar a sufficient quantity of blank Series 2024 Bonds duly executed on behalf of the City, together with the certificate of validation pertaining thereto duly executed by the Clerk of the Superior Court of Hall County, as herein provided in order that the Bond Registrar shall at all times be able to register and authenticate the Series 2024 Bonds at the earliest practicable time in accordance with the provisions of this resolution. All Series 2024 Bonds surrendered in any such exchange or registration of transfer shall be forthwith canceled by the Bond Registrar and a record thereof duly entered in the permanent records pertaining to the Series 2024 Bonds maintained by the Bond Registrar.

Section 7. No Preference or Priority. All the Series 2024 Bonds herein authorized to be issued are of equal rank and dignity without preference, priority or distinction as to lien or otherwise on the Net Revenues securing the payment thereof and interest thereon.

Section 8. Certifications. The Mayor and Clerk of the City are hereby authorized and directed to execute, for and on behalf of the City, a certification, based upon facts, estimates and circumstances, as to the reasonable expectations regarding the amount, expenditure and use of the proceeds of the Series 2024 Bonds, as well as such other documents as may be necessary or desirable in connection with the issuance and delivery of the Series 2024 Bonds.

Section 9. Book-Entry Bonds. The Series 2024 Bonds shall be issued in Book-Entry Form in accordance with the book-entry procedures of the Securities Depository. The Series 2024 Bonds shall be initially issued in the form of a single, fully-registered bond in the amount of each separate stated maturity of the Series 2024 Bonds. So long as the Series 2024 Bonds are held in Book-Entry Form, the registered owner of all Series 2024 Bonds shall be, and each of the Series 2024 Bonds shall be registered in the name of, the Securities Depository or its nominee. So long as the Series 2024 Bonds are held in Book-Entry Form, all payments with respect to the principal of and interest on such Series 2024 Bond, and all notices with respect to such Series 2024 Bond, shall be made or given, as the case may be, to the Securities Depository.

Transfers of principal of and interest payments on the Series 2024 Bonds by the Securities Depository to participants will be the responsibility of the Securities Depository. Transfers of such payments by the participants to Beneficial Owners will be the responsibility of such participants. Transfers of ownership shall be effected on the records of the Securities Depository and its participants pursuant to rules and procedures established by the Securities Depository and its participants. The City and the Paying Agent will recognize the Securities

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PARITY BOND RESOLUTION

Depository as the owner of such Series 2024 Bonds for all purposes, including (a) payments of principal of and interest on such Series 2024 Bonds (b) notices and (c) voting.

Upon the discontinuance of the services of the Securities Depository, the City may within 90 days thereafter appoint a substitute Securities Depository which, in the opinion of the City, is willing and able to undertake the functions of Securities Depository under this resolution upon reasonable and customary terms. If no such successor can be found within such period, the Series 2024 Bonds shall no longer be Book-Entry Bonds.

In the event that the Series 2024 Bonds shall no longer be Book-Entry Bonds, the City shall execute and the Bond Registrar shall authenticate and deliver, upon presentation and surrender of the Series 2024 Bonds, bond certificates as requested by the Securities Depository of like series, aggregate principal amount, maturity and interest rate, in authorized denominations, to the identifiable Beneficial Owners in replacement of such Beneficial Owners' beneficial ownership interests in the Series 2024 Bonds.

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PARITY BOND RESOLUTION

ARTICLE III

REDEMPTION OF SERIES 2024 BONDS BEFORE MATURITY

Section 1. Redemption Provisions. The Series 2024 Bonds shall be subject to redemption as more fully described in the form of the Series 2024 Bonds.

Section 2. Effect of Additional Bonds. In the event Additional Bonds are hereafter issued by the City, the City covenants and agrees that it will not optionally redeem the Series 2024 Bonds, or any such Additional Bonds, in part, from moneys in the Sinking Fund unless and until it has on hand in the Debt Service Account held within the Sinking Fund sufficient funds to pay the principal of and the interest on the Prior Bonds, the Series 2024 Bonds and all such Additional Bonds coming due in the then current Sinking Fund Year and is maintaining the Reserve Account held within the Sinking Fund in an amount equal to the Debt Service Reserve Requirement, if so required; provided, however, the City is not restricted hereby from acquiring, in whole or in part, by redemption or otherwise, outstanding Bonds from any moneys which may be available for that purpose. It is expressly understood and agreed that should the City hereafter elect to issue any Additional Bonds, as authorized by the Original Resolution and this resolution, it shall have the right to redeem such Additional Bonds before it redeems the Series 2024 Bonds, or it may redeem the Series 2024 Bonds before it redeems such Additional Bonds, or it may redeem some of the Series 2024 Bonds and/or some of the Additional Bonds at the same time.

Section 3. Purchase in Open Market. Nothing herein contained shall be construed to limit the right of the City to purchase with any excess moneys in the Sinking Fund, the Series 2024 Bonds in the open market. Any such Series 2024 Bonds so purchased cannot be reissued and shall be canceled. However, notice of the City's intention to purchase Series 2024 Bonds shall be delivered to the Paying Agent and the Bond Registrar at least sixty (60) days prior to the purchase date.

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PARITY BOND RESOLUTION

ARTICLE IV

CUSTODY AND APPLICATION OF PROCEEDS

Section 1. Ratification and Incorporation. Except as provided in Sections 2 through 8 below, all terms and provisions of Article IV of the Original Resolution are hereby ratified and incorporated herein.

Section 2. Application of Series 2024 Bond Proceeds. The net proceeds of the Series 2024 Bonds (*i.e.*, any amounts received by the City net of the Underwriter's discount) shall be applied as set forth below:

(a) \$_____, together with sinking fund accruals allocable to the Refunded Bonds, shall be deposited into the escrow fund created under the Escrow Agreement and used to acquire Government Obligations consisting of State and Local Government Series securities and establish an initial cash balance to be held under the terms of the Escrow Agreement and applied to pay, the principal and interest on the Refunded Bonds as set forth in the Escrow Agreement; and

(b) The balance of the proceeds shall be deposited into the Series 2024 Capital Improvement Account of the Construction Fund and used to pay the costs of the Series 2024 Project and the costs of issuing the Series 2024 Bonds that have been approved by the City, and which shall be deemed to mean and include, without limitation, legal fees and expenses, fees and expenses of the Bond Registrar in connection with the initial issuance and delivery of the Series 2024 Bonds, fees and expenses of the certified public accountants in connection with the certifications required under the 2001 Resolution and this resolution and the costs of preparing and issuing the Series 2024 Bonds.

Notwithstanding the foregoing, if the Mayor of the City shall determine that a different application of funds is required to carry out the intent of this resolution, the Mayor may provide for such different application of funds in the authentication order to be delivered at the time of issuance of the Series 2014 Bonds.

Section 3. Construction Fund. The second paragraph of (a) in Article IV Section 2 of the Original Resolution is hereby deleted and replaced with the following:

“As to any series of Bonds providing Construction Fund moneys, the City shall establish a separate special account for the Construction Fund, each of which shall be designated as "Series ____ Capital Improvement Account" (hereinafter referred to as a "Capital Improvement Account"). Subject to subparagraph (b) below, the moneys derived from the sale of any Bonds under this Resolution shall be used and applied for the purpose of paying the costs of the Projects.”

Section 4. Redemption of Refunded Bonds. The Refunded Bonds shall be called for redemption on January 15, 2025 (the “Redemption Date”), but only if funds for their

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PARITY BOND RESOLUTION

redemption are on deposit at the place of redemption on the Redemption Date, at a redemption price of 100.0% of the principal amount outstanding thereof plus accrued interest to the date of redemption. The owners of such Refunded Bonds should present the same for payment on the Redemption Date; provided, however, such Refunded Bonds shall be deemed not to have been called for redemption on the Redemption Date if funds for the redemption of all of such Refunded Bonds called for redemption are not on deposit at the place of payment on the Redemption Date.

Section 5. Direction to Escrow Agent for the Refunded Bonds. The City hereby authorizes and directs the Escrow Agent to, (a) on the date of issuance of the Series 2024A Bonds or on such other date as otherwise directed by the City, provide in an appropriate electronic format to the Municipal Securities Rulemaking Board's Electronic Municipal Market Access System ("EMMA") and by first-class mail, postage prepaid to all registered owners of the Refunded Bonds at the addresses that appear on the bond registration books kept by the Bond Registrar for the Series 2014 Bonds (the "2014 Bond Registration Book"), provision of payment notices substantially in the form attached as Exhibit C to the Escrow Agreement and (b) not later than 30 days prior to the Redemption Date, provide in an appropriate electronic format to EMMA and by first-class mail, postage prepaid, the notice of redemption of such Refunded Bonds to the registered owners of the Refunded Bonds to be redeemed at the addresses that appear on the 2014 Bond Registration Book, which notice shall be in substantially the form attached to the Escrow Agreement as Exhibit D.

Section 6. Escrow Agent and Escrow Fund

Simultaneously with the issuance and delivery of the Series 2024A Bonds, a sufficient sum derived from the sale of the Series 2024A Bonds, together with any sinking fund accruals allocable to the Refunded Bonds, shall be deposited in trust with the Escrow Agent in a special segregated account created under the Escrow Agreement (the "Escrow Fund") to pay the interest on the Refunded Bonds on November 15, 2024 and pay the principal of and interest on the Refunded Bonds on the Redemption Date. The moneys so deposited in the Escrow Fund with the Escrow Agent and all income derived from such moneys shall be subject to a lien and charge in favor of the owners of, and are hereby pledged to the payment of, such Refunded Bonds, shall not be commingled with other moneys on deposit with the Escrow Agent, and shall be held in trust for the security of the owners of such Refunded Bonds until used and applied as hereinafter and in the Escrow Agreement provided.

Any moneys remaining in the Escrow Fund following the redemption of Refunded Bonds on the Redemption Date shall be deposited to the Debt Service Account of the Sinking Fund.

Section 7. Termination of Rights. The City acknowledges and intends that, by virtue of the deposits into the Escrow Fund, the Refunded Bonds to be paid from such deposits shall be deemed to have been paid and that, consequently, the rights granted to the owners of such Refunded Bonds under the Prior Resolution (except for purposes of payment, registration, exchange and transfer), shall cease, determine, and become void.

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Section 8. Series 2024 Capital Improvement Account. The Construction Fund Custodian shall establish the “Series 2024 Capital Improvement Account” within the Construction Fund.

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PARITY BOND RESOLUTION

ARTICLE V

REVENUES AND FUNDS

Section 1. Ratification and Incorporation. All terms and provisions of Article V of the Original Resolution are hereby ratified and incorporated herein.

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PARITY BOND RESOLUTION

ARTICLE VI

**DEPOSITORIES OF MONEYS AND SECURITIES FOR DEPOSITS;
INVESTMENT OF SINKING FUND**

Section 1. Ratification and Incorporation. All terms and provisions of Article VI of the Original Resolution are hereby ratified and incorporated herein.

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PARITY BOND RESOLUTION

ARTICLE VII

PARTICULAR COVENANTS

Section 1. Ratification and Incorporation. All terms and provisions of Article VII of the Original Resolution are hereby ratified and incorporated herein.

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PARITY BOND RESOLUTION

ARTICLE VIII

EVENTS OF DEFAULT; REMEDIES

Section 1. Ratification and Incorporation. All terms and provisions of Article VIII of the Original Resolution are hereby ratified and incorporated herein.

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PARITY BOND RESOLUTION

ARTICLE IX

SUPPLEMENTAL PROCEEDINGS

Section 1. Ratification and Incorporation. All terms and provisions of Article IX of the Original Resolution are hereby ratified and incorporated herein.

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PARITY BOND RESOLUTION

ARTICLE X

MISCELLANEOUS PROVISIONS

Section 1. Severability. In case any one or more of the provisions of this resolution, or the Series 2024 Bonds issued hereunder, shall for any reason be held illegal or invalid, such illegality or invalidity shall not affect any other provisions of this resolution or the Series 2024 Bonds, but this resolution and the Series 2024 Bonds shall be construed and enforced as if such illegal or invalid provisions had not been contained therein.

Section 2. General Ratification.

(a) The provisions of the Original Resolution and every appropriate sentence hereof shall be construed as including and as being applicable to the Series 2024 Bonds, and the Series 2024 Bonds shall be treated for all intents and purposes, unless otherwise specifically stated, just as if they had been issued together with the Prior Bonds and pursuant to the terms of the Original Resolution.

(b) The City hereby reaffirms all of the applicable covenants, agreements and provisions of the Original Resolution for the equal protection and benefit of all bondholders.

Section 3. Validation. The Series 2024 Bonds herein authorized shall be validated in the manner provided by law, and to that end notice of the adoption of this resolution and a copy thereof shall be served upon the District Attorney of the Northeastern Judicial Circuit, in order that proceedings for the above purpose be instituted in the Superior Court of Hall County.

Section 4. Repealer. Any and all resolutions or parts of resolutions in conflict with this resolution this day adopted be and the same are hereby repealed, and this resolution shall be in full force and effect from and after its adoption.

Section 5. Escrow Agreement. The execution, delivery and performance of the Escrow Agreement are hereby authorized. The Escrow Agreement shall be executed by the Mayor or Mayor Pro-Tem of the City and the Clerk or Assistant Clerk may attest the same and the seal of the City may be impressed on the Escrow Agreement. The Escrow Agreement shall be in substantially the form presented at this meeting, with such changes, insertions or omissions as may be approved by the person executing the same. The Escrow Agreement is by this reference thereto incorporated herein and spread upon the minutes.

Section 6. Application for SLGS. The application for any United States Treasury Obligations – State and Local Government Series needed to carry out the refunding of the Refunded Bonds by the Underwriter of the Series 2024 Bonds, Murray Barnes Finister LLP as bond counsel, the Escrow Agent or any officer or employee of the City is hereby ratified.

Section 7. Bond Purchase Agreement. The execution, delivery and performance of the Bond Purchase Agreement are hereby authorized. The Bond Purchase

RESOLUTION BR-2024-40

PARITY BOND RESOLUTION

Agreement shall be executed by the Mayor or Mayor Pro-Tem of the City and the seal of the Authority may be impressed on the Bond Purchase Agreement. The Bond Purchase Agreement shall be in substantially the form presented at this meeting, with such changes, insertions or omissions as may be approved by the person executing the same. The Bond Purchase Agreement is by this reference thereto incorporated herein and spread upon the minutes.

Section 8. Preliminary Official Statement; Official Statement; Deemed Final Certificate and Continuing Disclosure Agreement. The use and distribution of the Preliminary Official Statement in the form presented at this meeting are hereby ratified. The use, distribution and execution of the Official Statement are hereby authorized. The Official Statement shall be in substantially the same form as the Preliminary Official Statement with such changes, insertions or omissions as may be approved by the person executing the same. The execution of the Official Statement by the Mayor or Mayor Pro-Tem of the City as hereby authorized shall be conclusive evidence of the approval of any such changes. The City hereby ratifies the Mayor of the City deeming of the Preliminary Official Statement final, except for “Permitted Omissions,” as of its date for purposes of Rule 15c2-12 promulgated under the Securities Exchange of 1934, as amended (the “Rule”). As used herein, “Permitted Omissions” shall mean the offering price(s), interest rate(s), selling compensation, aggregate principal amount, principal amount per maturity, delivery dates, ratings, the identity of the underwriter or bond insurer and other terms of the Series 2024 Bonds and any underlying obligations depending on such matters, all with respect to the Series 2024 Bonds and any underlying obligations. The execution and delivery of the “deemed final” certificate required by the Rule are hereby ratified, authorized and approved. The execution, delivery and performance of the Continuing Disclosure Agreement summarized in the Preliminary Official Statement are hereby authorized and approved.

Section 9. General Authority. Any officer of the City is hereby authorized to execute and deliver all other documents and certificates necessary to affect the transactions contemplated by this resolution and to make covenants on behalf of the City. All actions heretofore taken and all documents heretofore executed in connection with the transactions contemplated by this resolution are hereby ratified and approved. If the Mayor or the Clerk is unable or unwilling to carry out the transactions contemplated by the terms of this resolution or to execute any documents authorized herein, including but not limited to the Series 2024 Bonds, the Mayor Pro-Tem and Assistant Clerk are hereby authorized to act/sign on behalf of the Mayor and Clerk, respectively.

Section 10. Bond Registrar; Paying Agent; Revenue Fund Depository; Renewal and Extension Fund Custodian; Sinking Fund Custodian. The Regions Bank is hereby designated as the Bond Registrar and Paying Agent for the Series 2024 Bonds. Truist Bank, Gainesville, Georgia is hereby re-designated as Revenue Fund Depository, Renewal and Extension Fund Depository and Sinking Fund Custodian.

Section 11. Waiver of Bond Audit. The City hereby approves the publication of the requisite legal notice waiving the performance audit and performance review requirements of Section 36-82-100 of the Official Code of Georgia Annotated.

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PARITY BOND RESOLUTION

Adopted and approved this September ___, 2024.

CITY OF GAINESVILLE, GEORGIA

(SEAL)

By: _____
W. Samuel Couvillon, Mayor

ATTEST:

Alisa Grayson, Deputy City Clerk

RESOLUTION BR-2024-__

PARITY BOND RESOLUTION

CLERK'S CERTIFICATE

GEORGIA, HALL COUNTY

The undersigned Deputy Clerk of the City of Gainesville, Georgia, DOES HEREBY CERTIFY that the foregoing pages constitute a true and correct copy of the resolution adopted by the Council at an open public meeting duly called and lawfully assembled on September 17, 2024 authorizing the issuance of [Par Amount] in aggregate principal amount of City of Gainesville, Georgia Water and Sewerage Revenue Bonds, the original of said resolution being duly recorded in the Minute Book of said Authority, which Minute Book is in my custody and control.

WITNESS my hand and the official seal of the City of Gainesville, Georgia, this 17th day of September, 2024.

Alisa Grayson, Deputy City Clerk

(SEAL)

\$(PAR AMOUNT)
CITY OF GAINESVILLE, GEORGIA
WATER AND SEWERAGE REVENUE BONDS,
SERIES 2024

BOND PURCHASE AGREEMENT

September 17, 2024

City of Gainesville
P.O. Box 2496
Gainesville, Georgia 30503

To the Addressee:

The undersigned, Raymond James & Associates, Inc. (the “Underwriter”), hereby offers to enter into this Bond Purchase Agreement (the “Purchase Agreement”) with the City of Gainesville, Georgia (the “Issuer”), acting by and through the governing body of the Issuer (the “City Council”), whereby the Underwriter will purchase and the Issuer will sell the Bonds (as defined and described below). The Underwriter is making this offer subject to the acceptance by the Issuer at or before 12:00 Midnight, Eastern Standard Time, on the date hereof, which acceptance shall be evidenced by the execution of this Purchase Agreement by a duly authorized officer of the Issuer. Upon such acceptance and execution, this Purchase Agreement shall be in full force and effect in accordance with its terms and shall be binding upon the Issuer and the Underwriter. Capitalized terms used but not defined herein shall have the meanings assigned to them in the Resolution referred to in Section 2 hereof.

1. PURCHASE AND SALE. Upon the terms and conditions and in reliance upon the representations, warranties, and agreements herein set forth, the Underwriter hereby agrees to purchase from the Issuer, and the Issuer hereby agrees to sell and deliver to the Underwriter, all but not less than all, of the Issuer’s \$(Par Amount).00 in aggregate principal amount of the City of Gainesville, Georgia Water and Sewerage Revenue Bonds, Series 2024 (collectively, “Bonds”), at a purchase price of \$(Net Proceeds] (which is equal to par, plus [net] original issue premium of \$(Premium] and less Underwriter’s discount of \$(UW Discount]). The Underwriter intends to make an initial bona fide public offering of the Bonds at a price or prices described in Schedule I hereto; provided, however, the Underwriter reserves the right to change such initial public offering prices as the Underwriter deems necessary or desirable, in its sole discretion, in connection with the marketing of the Bonds (but in all cases subject to the requirements of Section 4 hereof), and may offer and sell the Bonds to certain dealers, unit investment trusts and money market funds, certain of which may be sponsored or managed by the Underwriter at prices lower than the public offering prices or yields greater than the yields set forth therein (but in all cases subject to the requirements of Section 4 hereof).

The Issuer will deliver, or cause to be delivered, to the Underwriter by means of a book-entry system administered by The Depository Trust Company (“DTC”) in New York, New York, the Bonds in definitive form, duly executed and authenticated, and registered in the name of Cede & Co., as nominee of DTC, together with the other documents herein required; and the Underwriter will accept such delivery and pay the purchase price of the Series Bonds to the Issuer in immediately available funds at the offices of Murray Barnes Finister LLP, Atlanta, Georgia, at 10 a.m., local time on October 22, 2024, or at such other time or place as the Issuer and the Underwriter mutually agree, such time being hereinafter referred to as the “Closing” or the “Closing Date.” The Bonds will be made available for inspection at least 24 hours prior to the Closing.

Pursuant to this Purchase Agreement, it shall be a condition of the Issuer's obligation to sell simultaneously all of the Bonds to the Underwriter and the Underwriter's obligation to purchase all of the Bonds, that the entire principal amount of the Bonds shall be delivered by the Issuer and accepted and paid for by the Underwriter at the Closing.

2. DESCRIPTION AND PURPOSE OF THE BONDS. The Bonds shall be as described in, shall be authorized by and secured pursuant to a resolution adopted by the City Council on September 17, 2024 (the "Bond Resolution"). The Bonds are special limited obligations of the Issuer and are secured by and payable solely from a first lien on and pledge of the Net Revenues of the System (as defined in the hereinafter defined Official Statement).

The proceeds from the sale of the Bonds will be used for the purpose of (a) making certain improvements to the System, (b) refunding the Series 2014 Bonds maturing on and after November 15, 2025, and (c) paying the costs of issuing the Series 2024 Bonds. The City has reserved the right to issue Additional Bonds (as defined in the hereinafter defined Official Statement). If such Additional Bonds are issued, they will be secured by a first lien on and pledge of the Net Revenues of the System on a parity with the lien thereon securing the Bonds Series 2014 Bonds remaining outstanding upon the issuance of the Series 2024 Bonds.

The Bonds shall bear interest at the rates and shall mature in the amounts set forth in Schedule I attached hereto. All other terms of the Bonds are described in the hereinafter-defined Official Statement.

3. DELIVERY OF THE OFFICIAL STATEMENT AND OTHER DOCUMENTS.

(a) The Issuer has approved and delivered or caused to be delivered to the Underwriter copies of the Preliminary Official Statement dated [POS Date], 2024, which, including the cover page and all appendices thereto, is herein referred to as the "Preliminary Official Statement." It is acknowledged by the Issuer that the Underwriter may deliver the Preliminary Official Statement and a final Official Statement (as hereinafter defined) electronically over the internet and in printed paper form. The Issuer deems the Preliminary Official Statement final as of its date and as of the date hereof for purposes of Rule 15c2-12 promulgated under the Securities Exchange Act of 1934, as amended ("Rule 15c2-12"), except for any information which is permitted to be omitted therefrom in accordance with paragraph (b)(1) of Rule 15c2-12.

(b) Within seven (7) business days from the date hereof, and in any event not later than the Closing Date, the Issuer shall deliver to the Underwriter a final Official Statement relating to the Bonds dated the date hereof (such Official Statement, including the cover page, and all appendices attached thereto, together with all information previously permitted to have been omitted by Rule 15c2-12 and any amendments or supplements and statements incorporated by reference therein or attached thereto, as have been approved by the Issuer, Murray Barnes Finister LLP ("Bond Counsel" and "Disclosure Counsel"), and the Underwriter, is referred to herein as the "Official Statement") and such additional conformed copies thereof as the Underwriter may reasonably request in sufficient quantities to comply with Rule 15c2-12, rules of the MSRB and to meet potential customer requests for copies of the Official Statement. The Underwriter agrees to file a copy of the Official Statement, including any amendments or supplements thereto prepared by the Issuer, with the MSRB on its Electronic Municipal Markets Access ("EMMA") system, if required by MSRB Rule G-32. The Official Statement shall be executed by and on behalf of the Issuer by an authorized officer of the Issuer. The Official Statement shall be in substantially the same form as the Preliminary Official Statement and, other than information previously permitted to have been omitted by Rule 15c2-12, the Issuer shall only make such other additions, deletions and revisions in the Official Statement which are approved by the Underwriter. The Issuer hereby agrees to deliver to the Underwriter an electronic copy of the Official Statement in a form that permits the Underwriter to satisfy its obligations under the rules and regulations of the MSRB and the U.S. Securities and Exchange Commission ("SEC") including in a word-searchable pdf format including any amendments thereto. The Issuer hereby ratifies, confirms, and consents to and approves the use and distribution by the Underwriter before the date hereof

of the Preliminary Official Statement and hereby authorizes and consents to the use by the Underwriter of the Official Statement and the Bond Resolution in connection with the public offering and sale of the Bonds.

(c) In order to assist the Underwriter in complying with Rule 15c2-12, the Issuer will undertake, pursuant to a Continuing Disclosure Certificate dated the date hereof (the “Disclosure Certificate”), to provide annual financial information and notices of the occurrence of specified events. A description of the Disclosure Certificate is set forth in, and a form of the Disclosure Certificate is attached as an appendix to, the Preliminary Official Statement and the Official Statement.

4. ESTABLISHMENT OF ISSUE PRICE.

(a) The Underwriter agrees to assist the Issuer in establishing the issue price of the Bonds and shall execute and deliver to the Issuer at Closing an “issue price” or similar certificate, substantially in the form attached hereto as Exhibit A, together with the supporting pricing wires or equivalent communications, with such modifications as may be deemed appropriate or necessary, in the reasonable judgment of the Underwriter, the Issuer and Bond Counsel, to accurately reflect, as applicable, the sales price or prices or the initial offering price or prices to the public of the Bonds.

(b) The Issuer represents that it will treat the first price at which 10% of each maturity of the Bonds (the “10% Test”) is sold to the public as the issue price of that maturity. At or promptly after the execution of this Bond Purchase Agreement, the Underwriter shall report to the Issuer the price or prices at which the Underwriter has sold to the public each maturity of Bonds. For purposes of this Section, if Bonds mature on the same date but have different interest rates, each separate CUSIP number within that maturity will be treated as a separate maturity of the Bonds.

(c) The Underwriter confirms that:

(i) any selling group agreement and each third-party distribution agreement relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each dealer who is a member of the selling group and each broker-dealer that is a party to such third-party distribution agreement, as applicable:

(A)(i) to report the prices at which it sells to the public the unsold Bonds of each maturity allocated to it until either all Bonds of that maturity allocated to it have been sold or it is notified by the Underwriter that the 10% Test has been satisfied as to the Bonds of that maturity, provided that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Underwriter, and (ii) to comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the Underwriter, and (B) to promptly notify the Underwriter of any sales of Bonds that, to its knowledge, are made to a purchaser who is a related party to an underwriter participating in the initial sale of the Bonds to the public (each such term being used as defined below), (C) to acknowledge that, unless otherwise advised by the Underwriter, dealer or broker-dealer, the Underwriter shall assume that each order submitted by the Underwriter, dealer or broker-dealer is a sale to the public.

(ii) any selling group agreement relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each Underwriter or dealer that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the Bonds to the public to require each broker-dealer that is a party to such third-party distribution agreement to (A) report the prices at which it sells to the public the unsold Bonds of each maturity allocated to it, whether or not the Closing Date has occurred, until either all Bonds of that maturity allocated to it have been sold or it is notified by the Underwriter that the 10% Test has been satisfied as to the Bonds of that maturity, provided that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise

upon request of the Underwriter or dealer and (B) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the Underwriter or the dealer and as set forth in the related pricing wires.

(d) The Issuer acknowledges that, in making the representations set forth in this section, the Underwriter will rely on (i) in the event a selling group has been created in connection with the initial sale of the Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds, as set forth in a selling group agreement and the related pricing wires, and (ii) in the event that a third-party distribution agreement that was employed in connection with the initial sale of the Bonds to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable, as set forth in the third-party distribution agreement and the related pricing wires. The Issuer further acknowledges that the Underwriter shall not be liable for the failure of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a third-party distribution agreement, to comply with its corresponding agreement to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds.

(e) The Underwriter acknowledge that sales of any Bonds to any person that is a related party to an underwriter participating in the initial sale of the Bonds to the public (each such term being used as defined below) shall not constitute sales to the public for purposes of this section. Further, for purposes of this section:

- (i) “public” means any person other than an underwriter or a related party to an underwriter,
- (ii) “underwriter” means (A) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Bonds to the public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Bonds to the public),
- (iii) a purchaser of any of the Bonds is a “related party” to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (i) at least 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and
- (iv) “sale date” means the date of execution of this Purchase Agreement by all parties.

5. REPRESENTATIONS OF THE ISSUER. The Issuer represents to and agrees with the Underwriter as follows:

(a) The Issuer is, and at the Closing Date will be, a municipal corporation of the State of Georgia (the “State”) duly created, organized and validly existing under the Constitution and laws of the State.

(b) The Issuer is authorized under the Constitution and laws of the State (i) to adopt the Bond Resolution and perform its obligations thereunder, (ii) to own and operate the System, (iii) to issue, execute, deliver and perform its obligations under the Bonds for the purposes described in Section 2 hereof, (iv) to execute, deliver and perform its obligations this Purchase Agreement and the Disclosure Certificate (collectively, “Issuer Documents”), (v) to execute and deliver the Official Statement, and (vi) to carry out and consummate all of the transactions contemplated on its part hereby and by the aforementioned documents. Items (ii) through (v) above are collectively referred to herein as “Issuer Transactions.”

(c) The Bond Resolution approving and authorizing the execution and delivery by the Issuer of the Issuer Documents and the offering, issuance and sale of the Bonds upon the terms set forth herein and in the Official Statement, was duly adopted at a meeting of the City Council called and held pursuant to law and with all public notice required by law and at which a quorum was present and acting throughout, and is in full force and effect and has not been amended or repealed.

(d) The Bond Resolution and the Bonds conform to the descriptions thereof contained in the Preliminary Official Statement and the Official Statement and the Bonds, when duly issued and authenticated in accordance with the Bond Resolution and delivered to the Underwriter as provided herein, will be validly issued and outstanding obligations of the Issuer, entitled to the benefits of the Bond Resolution and payable from the sources therein specified.

(e) The Issuer has executed and delivered, or will execute and deliver on or before the Closing Date, each of the Issuer Documents. Each of the Issuer Documents constitutes, or will, as of the Closing Date, constitute, a legal, valid, and binding obligation of the Issuer enforceable in accordance with its terms, subject to any applicable bankruptcy, insolvency or other laws affecting creditors’ rights or remedies heretofore or hereafter enacted. Each of the Issuer Documents has been executed and delivered, or will be executed and delivered on or before the Closing Date, by each respective signatory and is currently in full force and effect or, as of the Closing Date, will be in full force and effect.

(f) The Issuer is not in any material respect in breach of or default under any constitutional provision, law or administrative regulation of the State or of the United States or any agency or instrumentality of either, or of any other governmental agency, or any Material Judgment or Agreement (as defined below), and no event has occurred and is continuing which with the passage of time or the giving of notice, or both, would constitute a default or event of default under any Material Judgment or Agreement; and the adoption of the Bond Resolution, the issuance, delivery and sale of the Bonds and the execution and delivery of the Issuer Documents and compliance with and performance of the Issuer’s obligations therein and herein will not in any material respect conflict with, violate or result in a breach of or constitute a default under, any such constitutional provision, law, administrative regulation or any Material Judgment or Agreement, nor will any such execution, delivery, adoption or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the property or assets of the Issuer (except as described in or contemplated by the Issuer Documents and the Official Statement) or under the terms of any such law, administrative regulation or Material Judgment or Agreement. As used herein, the term “Material Judgment or Agreement” means any judgment or decree or any loan agreement, indenture, bond, note or resolution or any material agreement or other instrument to

which the Issuer is a party or to which the Issuer or any of its property or assets is otherwise subject (including, without limitation the Bond Resolution and the Issuer Documents).

(g) All approvals, consents and orders of any governmental authority, board, agency, council, commission or other body having jurisdiction which would constitute a condition precedent to the performance by the Issuer of its obligations hereunder and under the Issuer Documents have been obtained; provided, that the Issuer makes no representations as to any approvals, consents or other actions which may be necessary to qualify the Bonds for offer and sale under Blue Sky or other state securities laws or regulations.

(h) Any certificates executed by any officer and/or official of the Issuer and delivered to the Underwriter pursuant hereto or in connection herewith shall be deemed a representation and warranty of the Issuer as to the accuracy of the statements therein made and as to the authority of the representative to deliver such certificates and make such representation.

(i) Between the date hereof and the time of the Closing, the Issuer shall not, without the prior written consent of the Underwriter, offer or issue in any material amount any bonds, notes, or other obligations for borrowed money, or incur any material liabilities, direct or contingent, except in the course of normal business operations of the Issuer or except for such borrowings as may be described in or contemplated by the Official Statement.

(j) The financial statements of the Issuer as of June 30, 2023, fairly represent the receipts, expenditures, assets, liabilities, and cash balances of such amounts and, insofar as presented, other funds of the Issuer as of the dates and for the periods therein set forth. Except as disclosed in the Official Statement or otherwise disclosed in writing to the Underwriter, there has not been any materially adverse change in the financial condition of the Issuer or in its operations since June 30, 2023, and there has been no occurrence, circumstance, or combination thereof which is reasonably expected to result in any such materially adverse change.

(k) Except for information which is permitted to be omitted pursuant to Rule 15c2-12(b)(1), the information contained in the Preliminary Official Statement (excluding therefrom the information under the captions “THE BONDS – Book-Entry System of Registration” and “MISCELLANEOUS - Underwriting” as to which no representations or warranties are made), as of its date and as of the date hereof was and is true and correct in all material respects and did not and does not contain any untrue or misleading statement of a material fact or omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(l) The Official Statement is, as of its date and at all times after the date of the Official Statement (excluding therefrom the information under the captions “THE BONDS – Book-Entry System of Registration” and “MISCELLANEOUS - Underwriting” as to which no representations or warranties are made) up to and including the Closing Date will be, true and correct in all material respects and will not contain any untrue or misleading statement of a material fact or omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(m) If the Official Statement is supplemented or amended, at the time of each supplement or amendment thereto and (unless subsequently again supplemented or amended) at all times subsequent thereto up to and including that date that is 25 days from the “end of the underwriting period” as defined in Rule 15c2-12 (unless the Underwriter notifies the Issuer by the Closing Date of an unsold balance, in which case the “underwriting period” shall be deemed to end on the Closing Date), the Official Statement as so supplemented or amended will be true and correct in all material respects and will not contain any untrue statement of a material fact or omit to state a

material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(n) If between the date of the Official Statement and the Closing any event shall occur which might or would cause the information contained in the Official Statement, as then supplemented or amended, to contain any untrue statement of a material fact or to omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, the Issuer shall notify the Underwriter thereof, and if, in the opinion of the Underwriter, such event requires the preparation and publication of a supplement or amendment to the Official Statement, the Issuer shall promptly (and in any event before the Closing) prepare and furnish (at the expense of the Issuer) a reasonable number of copies of an amendment of or supplement to the Official Statement in form and substance satisfactory to the Underwriter.

(o) Except as described in the Preliminary Official Statement and Official Statement, no litigation, proceeding or official investigation of any governmental or judicial body is pending against the Issuer or against any other party of which the Issuer has notice or, to the knowledge of the Issuer, threatened against the Issuer: (i) seeking to restrain or enjoin the issuance, sale or delivery of any of the Bonds, or the payment or collection of any amounts pledged or to be pledged to pay the principal of and interest on the Bonds, (ii) in any way contesting or affecting any authority for the issuance of the Bonds or the validity or binding effect of any of the Issuer Documents, (iii) which is in any way contesting the creation, existence, powers or jurisdiction of the Issuer or the validity or effect of the Bond Resolution or any provision thereof or the application of the proceeds of the Bonds, (iv) contesting in any way the completeness or accuracy of the Preliminary Official Statement or the Official Statement or any supplement or amendment thereto or (v) which, if adversely determined, could materially adversely affect the financial position or operating condition of the Issuer or the transactions contemplated by the Preliminary Official Statement and Official Statement or any of the Issuer Documents. The Issuer shall advise the Underwriter promptly of the institution of any proceedings known to it by any governmental agency prohibiting or otherwise affecting the use of the Preliminary Official Statement or the Official Statement in connection with the offering, sale, or distribution of the Bonds.

(p) If required in accordance with Rule 15c2-12, the Issuer has provided or will undertake to provide certain annual financial information and other information and notices of the occurrence of certain events. Except as described in the Official Statement, during the last five years, the Issuer has not failed to materially comply with any previous undertaking relating to continuing disclosure of information pursuant to Rule 15c2-12.

(q) Except as described in the Official Statement, the Issuer, to the best of its knowledge, has never been and is not in default in the payment of principal of, premium, if any, or interest on, or otherwise is not nor has it been in default with respect to, any bonds, notes, or other obligations which it has issued, assumed or guaranteed as to payment of principal, premium, if any, or interest.

All representations, warranties and agreements of the Issuer shall remain operative and in full force and effect, regardless of any investigations made by the Underwriter or on the Underwriter's behalf, and shall survive the delivery of the Bonds.

6. CONDITIONS TO CLOSING.

The Underwriter has entered into this Purchase Agreement in reliance upon the representations and agreements of the Issuer contained herein and the performance by the Issuer of its obligations hereunder, both as of the date hereof and as of the Closing Date. The Underwriter's obligations under this Purchase Agreement are and shall be subject to the following additional conditions:

(a) The representations of the Issuer contained herein shall be true, complete, and correct in all material respects on the date of acceptance hereof and on and as of the Closing Date.

(b) At the time of the Closing, the Official Statement, the Bond Resolution, and the Issuer Documents shall be in full force and effect and shall not have been amended, modified, or supplemented except as may have been agreed to in writing by the Underwriter.

(c) The Issuer shall perform or have performed all of its obligations required under or specified in the Bond Resolution, the Issuer Documents, and the Official Statement to be performed at or prior to the Closing.

(d) The Issuer shall have delivered to the Underwriter final Official Statements by the time, and in the numbers, required by this Purchase Agreement.

(e) As of the date hereof and at the time of Closing, all necessary official action of the Issuer relating to the Issuer Documents, and the Official Statement shall have been taken and shall be in full force and effect and shall not have been amended, modified, or supplemented in any material respect.

(f) After the date hereof, up to and including the time of the Closing, there shall not have occurred any change in or particularly affecting the Issuer, the Bond Resolution, or the Issuer Documents as the foregoing matters are described in the Preliminary Official Statement and the Official Statement, which in the reasonable professional judgment of the Underwriter materially impairs the investment quality of the Bonds.

(g) At or prior to the Closing, the Underwriter shall receive the following documents (in each case with only such changes as the Underwriter shall approve):

- i. The approving opinion of Bond Counsel relating to the Bonds, dated the Closing Date, substantially in the form attached as Appendix D to the Official Statement, and, if not otherwise directly addressed to the Underwriter, a reliance letter with respect thereto addressed to the Underwriter;
- ii. The approving opinion of Disclosure Counsel, dated the Closing Date, addressed to the Underwriter, in customary and satisfactory form;
- iii. The favorable opinion of Hulsey, Oliver & Mahar, LLP, counsel to the Issuer, dated the date of the Closing and addressed to the Underwriter and to Bond Counsel, in customary and satisfactory form;
- iv. A supplemental opinion of Bond Counsel, dated the Closing Date, addressed to the Underwriter in customary and satisfactory form;
- v. A certificate, dated the Closing Date, signed by the Issuer to the effect that: (a) the representations and agreements of the Issuer contained herein are true and correct in all material respects as of the date of the Closing; (b) the Issuer Documents have been duly authorized and executed and are in full force and effect; (c) except as described in the Preliminary Official Statement as of its date and as of the date hereof and the Official Statement, no litigation is pending or, to his or her knowledge, threatened (i) seeking to restrain or enjoin the issuance or delivery of any of the Bonds, (ii) in any way contesting or affecting any authority for the issuance of the Bonds or the validity of the Bonds, the Bond Resolution or any Issuer Document, (iii) in any way contesting the creation, existence or powers of the Issuer or the application of the proceeds of the Bonds, or (iv) which, if

adversely determined, could materially adversely affect the financial position or operating condition of the Issuer or the transactions contemplated by the Preliminary Official Statement as of its date and as of the date hereof and the Official Statement as of its date and as of the Closing Date or any Issuer Document; and (d) the Official Statement is true and correct in all material respects and does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, except no review has been made of information in the Official Statement under the captions “THE BONDS – Book-Entry System of Registration” and “MISCELLANEOUS - Underwriting”;

- vi. A certificate, dated the Closing Date, signed by the Issuer, in form and substance satisfactory to the Underwriter, to the effect that (i) the financial statements of the Issuer as of June 30, 2023 fairly represent the receipts, expenditures, assets, liabilities and cash balances of such amounts and, insofar as presented, other funds of the Issuer as of the dates and for the periods therein set forth and (ii) except as disclosed in the Preliminary Official Statement and the Official Statement, since June 30, 2023, no materially adverse change has occurred, or any development involving a prospective material change, in the financial position or results of operations of the Issuer and the Issuer has not incurred since June 30, 2023, any material liabilities other than in the ordinary course of business or as set forth in or contemplated by the Official Statement;
- vii. Executed or certified copies of each Issuer Document;
- viii. A Tax Certificate of the Issuer, in form satisfactory to Bond Counsel, executed by such officials of the Issuer as shall be satisfactory to the Underwriter;
- ix. A certified copy of the Bond Resolution;
- x. Evidence satisfactory to the Underwriter by Moody’s Investors Services, Inc. of the assignment to the Bonds a rating of “[Moody’s Rating]” and evidence satisfactory to the Underwriter by S&P Global Ratings, a division of Standard& Poor’s Financial Services LLC of the assignment to the Bonds a rating of “[S&P Rating]”;
- xi. Evidence that a Form 8038-G relating to the Bonds has been executed by the Issuer and will be filed with the Internal Revenue Service (the “IRS”) within the applicable time limit;
- xii. Such additional legal opinions, certificates, proceedings, instruments and other documents as the Underwriter may reasonably request.

7. TERMINATION.

The Underwriter shall have the right to cancel its obligations to purchase and accept delivery of the Bonds hereunder by notifying the City or its designated representatives, in writing or by telecopy, of its election to do so between the date hereof and the Closing if, on or after the date hereof and prior to the Closing any of the following events shall occur in the sole and reasonable judgment of the Underwriter:

- (a) an event shall occur which makes untrue or incorrect in any material respect, as of the time of such event, any statement or information contained in the Official Statement or which is not reflected in the Official Statement but should be reflected therein in order to make the statements contained therein in the light of the circumstances under which they were made not misleading in any

material respect and, in either such event, (i) the City refuses to permit the Official Statement to be supplemented to supply such statement or information in a manner satisfactory to the Underwriter, or (ii) the effect of the Official Statement as so supplemented is, in the judgment of the Underwriter, to materially adversely affect the market price or marketability of the Bonds or the ability of the Underwriter to enforce contracts for the sale, at the contemplated offering prices (or yields), of the Bonds; or

(b) legislation shall be introduced in, enacted by, reported out of committee, or recommended for passage by the State of Georgia, either House of the Congress, or recommended to the Congress or otherwise endorsed for passage (by press release, other form of notice or otherwise) by the President of the United States, the Treasury Department of the United States, the Internal Revenue Service or the Chairman or ranking minority member of the Committee on Finance of the United States Senate or the Committee on Ways and Means of the United States House of Representatives, or legislation is proposed for consideration by either such committee by any member thereof or presented as an option for consideration by either such committee by the staff or such committee or by the staff of the Joint Committee on Taxation of the Congress of the United States, or a bill to amend the Code (which, if enacted, would be effective as of a date prior to the Closing) shall be filed in either House, or a decision by a court of competent jurisdiction shall be rendered, or a regulation or filing shall be issued or proposed by or on behalf of the Department of the Treasury or the Internal Revenue Service of the United States, or other agency of the federal government, or a release or official statement shall be issued by the President, the Department of the Treasury or the Internal Revenue Service of the United States, in any such case with respect to or affecting (directly or indirectly) the federal or state taxation of interest received on obligations of the general character of the Bonds which, in the judgment of the Underwriter, materially adversely affects the market price or marketability of the Bonds or the ability of the Underwriter to enforce contracts for the sale, at the contemplated offering prices (or yields), of the Bonds; or

(c) a stop order, ruling, regulation, proposed regulation or statement by or on behalf of the Securities and Exchange Commission or any other governmental agency having jurisdiction of the subject matter shall be issued or made to the effect that the issuance, offering, sale or distribution of obligations of the general character of the Bonds (including any related underlying obligations) is in violation or would be in violation of any provisions of the Securities Act of 1933, as amended (the "Securities Act"), as amended, the Exchange Act, as amended or the Trust Indenture Act of 1939, as amended; or

(d) legislation introduced in or enacted (or resolution passed) by the Congress or an order, decree or injunction issued by any court of competent jurisdiction, or an order, ruling, regulation (final, temporary, or proposed), press release or other form of notice issued or made by or on behalf of the Securities and Exchange Commission, or any other governmental agency having jurisdiction of the subject matter, to the effect that obligations of the general character of the Bonds, including any or all underlying arrangements, are not exempt from registration under or other requirements of the Securities Act, or that the Resolution is not exempt from qualification under or other requirements of the Trust Indenture Act of 1939, as amended, or that the issuance, offering or sale of obligations of the general character of the Bonds, including any or all underlying arrangements, as contemplated hereby or by the Official Statement or otherwise, is or would be in violation of the federal securities law as amended and then in effect; or

(e) there shall have occurred (i) any outbreak or escalation of hostilities, declaration by the United States of a national or international emergency or war; or (ii) any other calamity or crisis in the financial markets of the United States or elsewhere; or (iii) a downgrade of the sovereign debt rating of the United States by any major credit rating agency or payment default on United States Treasury obligations; or (iv) a default with respect to the debt obligations of, or the institution of proceedings under any federal bankruptcy laws by or against any state of the United States or any

authority, county or other political subdivision located in the United States having a population of over 1,000,000, which, in the judgment of the Underwriter, materially adversely affects the market price or marketability of the Bonds or the ability of the Underwriter to enforce contracts for the sale, at the contemplated offering prices (or yields), of the Bonds; or

(f) there shall have occurred a general suspension of trading, minimum or maximum prices for trading shall have been fixed and be in force or maximum ranges or prices for securities shall have been required on the New York Stock Exchange or other national stock exchange whether by virtue of a determination by that Exchange or by order of the SEC or any other governmental agency having jurisdiction or any national securities exchange shall have: (i) imposed additional material restrictions not in force as of the date hereof with respect to trading in securities generally, or to the Bonds or similar obligations; or (ii) materially increased restrictions now in force with respect to the extension of credit by or the charge to the net capital requirements of underwriters or broker-dealers which, in the judgment of the Underwriter, materially adversely affects the market price or marketability of the Bonds or the ability of the Underwriter to enforce contracts for the sale, at the contemplated offering prices (or yields), of the Bonds; or

(g) a general banking moratorium shall have been declared by federal or New York or Georgia state authorities or a major financial crisis or a material disruption in commercial banking or securities settlement or clearances services shall have occurred which, in the judgment of the Underwriter, materially adversely affects the market price or the marketability for the Bonds or the ability of the Underwriter to enforce contracts for the sale, at the contemplated offering prices (or yields), of the Bonds; or

(h) there shall have occurred or any notice shall have been given of any intended downgrading, suspension, withdrawal or negative change in credit watch status by any national rating service to any of the Issuer's obligations; or

(i) the marketability of the Bonds or the market price thereof, in the opinion of the Underwriter, has been materially and adversely affected by disruptive events, occurrences or conditions in the securities or debt markets; or

(j) any litigation shall be instituted, pending or threatened to restrain or enjoin the issuance or sale of the Bonds or in any way protesting or affecting any authority for or the validity of the Bonds or the existence or powers of the Issuer; or

(k) there shall have occurred any material adverse change in the affairs of the Issuer; or

(l) there shall have occurred any other event other than those listed above the effect of which is, in the reasonable judgment of the Underwriter, so material and adverse as to make it impracticable or inadvisable to proceed with the offering of the Bonds on the terms and in the manner contemplated by the Official Statement.

9. Notification by Issuer. The Issuer agrees to notify the Underwriter of any material adverse change in any of the Issuer's operations, properties or financial condition occurring before the Closing or within twenty-five (25) days thereafter which would require a revision of the information in the Official Statement in order to make the representations set forth in Section 5 hereof true and correct during such period. If, in the reasonable judgment of the Underwriter, such material adverse change requires an amendment or supplement to the Official Statement, then the Issuer agrees to cooperate with the Underwriter in preparing an amendment or supplement which will adequately

disclose the necessary information (the expenses of such amendment or supplement to be paid for by the Issuer).

10. INDEMNIFICATION.

(a) To the extent legally enforceable, the Issuer shall indemnify and hold harmless, to the extent permitted by law, the Underwriter and its directors, officers, employees and agents and each person who controls the Underwriter within the meaning of Section 15 of the 1933 Act (any such person being therein sometimes called an “Underwriter Indemnitee”), against any and all losses, claims, damages or liabilities, which arise out of or are based on arise out of or are based upon (i) a claim in connection with the public offering of the Securities to the effect that the Securities or any related security are required to be registered under the Securities Act or any indenture is required to be qualified under the Trust Indenture Act, or (ii) any statement or information in the Preliminary Official Statement or in the Official Statement that is or is alleged to be untrue or incorrect in any material respect, or any omission or alleged omission of any statement or information in the Preliminary Official Statement or the Official Statement (other than in the Excluded Sections (as defined herein)) which is necessary in order to make the statements therein not misleading. The foregoing indemnity agreement shall be in addition to any liability that the Issuer otherwise may have.

(b) The Underwriter shall indemnify and hold harmless, to the extent permitted by law, the Issuer and its directors, officers, members, employees and agents and each person who controls the Issuer within the meaning of Section 15 of the 1933 Act, to the same extent as the foregoing indemnity from the Issuer to the Underwriter, but only with reference to the statements under the caption “MISCELLANEOUS - Underwriting” in the Preliminary Official Statement and the Official Statement (the “Excluded Sections”), or any amendment or supplement thereof.

(c) For purposes of subsection (a) or (b) above, an “Indemnified Party” means an Underwriter Indemnitee or an Issuer Indemnitee as the context dictates and an “Indemnifying Party” means the Issuer or an Underwriter who is under the obligation to indemnify an Indemnified Party under this Section 10. In case any claim shall be made or action brought against an indemnified party for which indemnity may be sought against any indemnifying party, as provided above, the indemnified party shall promptly notify the indemnifying party in writing setting forth the particulars of such claim or action; but the omission to so notify the indemnifying party (i) shall not relieve it from liability under paragraph (a) or (b) above unless and to the extent it did not otherwise learn of such action and such failure results in the forfeiture by the indemnifying party of substantial rights and defenses and (ii) shall not relieve it from any liability which it may have to any indemnified party otherwise than under paragraph (a) or (b) above. The indemnifying party shall assume the defense thereof, including the retention of counsel acceptable to such indemnified party and the payment of all expenses and shall have the right to negotiate and consent to settlement. An indemnified party shall have the right to retain separate counsel in any such action and to participate in the defense thereof but the fees and expenses of such counsel shall be at the expense of such indemnified party unless the employment of such counsel has been specifically authorized by the indemnifying party or the indemnifying party shall not have employed counsel reasonably acceptable to the indemnified party to have charge of the defense of any such action or proceeding or if the Indemnified Party shall have reasonably concluded that there may be defenses available to it or them that are different from or additional to those available to the Indemnifying Party (in which case the Indemnifying Party shall not have the right to direct the defense of such action or proceeding on behalf of such Indemnified Party), in any of which events, such legal or other expenses shall be borne by the Indemnifying Party.

An Indemnifying Party shall not be liable for any settlement of any such action effected without its consent by any Indemnified Party, but if settled with the consent of the Indemnifying Party

or if there be a final judgment for the plaintiff in any such action against the Indemnifying Party or any Indemnified Party, with or without the consent of the Indemnifying Party, the Indemnifying Party agrees to indemnify and hold harmless such Indemnified Party to the extent provided herein. Any such settlement must include an unconditional release of each indemnified party from all liability arising out of such action.

(d) If the indemnification provided for in this Section is unenforceable, unavailable or insufficient to hold harmless an Indemnified Party under subsection (a) or (b) above, then each Indemnifying Party shall, in lieu of indemnifying such party, contribute to the amount paid or payable by such Indemnified Party as a result of the losses, claims, damages, or liabilities referred to in subsection (a) or (b) above (i) in such proportion as is appropriate to reflect the relative benefits received by the Issuer on the one hand and the Underwriter on the other from the offering of the Bonds or (ii) if the allocation provided by clause (i) above is not permitted by applicable law, then the Indemnifying Party shall contribute to such amount paid or payable by such Indemnified Party in such proportion as is appropriate to reflect not only the relative benefits referred to in clause (i) above but also the relative fault of the Issuer on the one hand and the Underwriter on the other in connection with the statements or omissions which resulted in such losses, claims, damages, or liabilities as well as any other relevant equitable considerations. The relative benefits received by the Issuer on the one hand and the Underwriter on the other shall be deemed to be in the same proportion as the total net proceeds from the offering (before deducting expenses) received by the Issuer bears to the total underwriting discounts and commissions received by the Underwriter. The relative fault shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the Issuer or the Underwriter and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such untrue statement or omission. Notwithstanding the provisions of this paragraph, the Underwriter shall not be required to contribute an amount in excess of the amount of its compensation under this Purchase Agreement. No person guilty of fraudulent misrepresentation (within the meaning of Section 10(b) of the 1933 Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation.

11. EXPENSES.

Whether or not the Bonds are sold to the Underwriter, the Underwriter shall be under no obligation to pay any expenses incident to the performance of the Issuer's obligations hereunder. If the Bonds are delivered by the Issuer to the Underwriter, the Issuer shall pay, from the proceeds of the Bonds or from other funds of the Issuer, the following expenses: (a) the cost of preparing, duplicating or printing, mailing and delivering the Transaction Documents, including the cost of electronically distributing the Preliminary Official Statement and the Official Statement and any amendment or supplement of either; (b) the cost of preparation and printing of the definitive Bonds; (c) the fees and expenses of the Issuer, the Paying Agent, Bond Counsel, Disclosure Counsel, counsel to the Underwriter and any entity performing continuing disclosure compliance research or providing continuing disclosure compliance reports and any other experts or consultants retained by the Issuer; (d) the charges of any rating agency with respect to the Bonds; (e) reimbursement to the Underwriter for payment of any fees and expenses reasonably incurred in connection with the initial offering, sale and delivery of the Bonds, including but not limited to industry fees (e.g., DTC, DAC, IPREO, CUSIP and Day Loan fees) only if the Issuer and Underwriter have previously discussed and approved the allocation of proceeds towards these fees, and meal and travel expenses of Issuer personnel, but not including entertainment expenses or those to be paid by the Underwriter pursuant to the last paragraph of this Section, and (f) all other fees and expenses, not including entertainment expenses, reasonably incurred in connection with the preparation of the Transaction Documents and/or the initial offering, sale and delivery of the Bonds. The Issuer has authorized, and does hereby authorize, the Underwriter to pay such expenses on behalf of the Issuer from proceeds of the Bonds at Closing as further described in the closing memorandum relating to the Bonds.

If the Bonds are sold to the Underwriter by the Issuer, the Issuer shall pay out of the proceeds of the Bonds the discount of the Underwriter or the purchase price paid for the Bonds shall reflect such discount.

Except as otherwise provided in this Section, the Underwriter shall pay the cost, if any, of qualifying the Bonds for sale in the various states chosen by the Underwriter, all advertising expenses in connection with the public offering of the Bonds and all other expenses incurred by it in connection with its public offering and distribution of the Bonds, not described above.

12. USE OF DOCUMENTS.

The Issuer hereby authorizes the Underwriter to use, in connection with the public offering and sale of the Bonds, this Purchase Agreement, the Preliminary Official Statement, the Official Statement, the Issuer Documents, and the information contained herein and therein.

13. QUALIFICATION OF SECURITIES.

The Issuer will furnish such information, execute such instruments and take such other action in cooperation with the Underwriter as the Underwriter may reasonably request to qualify the Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and other jurisdictions of the United States as the Underwriter may designate and to provide for the continuance of such qualification; provided, however, that the Issuer will not be required to qualify as a foreign corporation or to file any general or special consents to service of process under the laws of any state.

14. NOTICES. Any notice or other communication to be given to the Issuer under this Purchase Agreement may be given by delivering the same in writing at its address set forth above, and any notice or other communication to be given to the Underwriter under this Purchase Agreement may be given by delivering the same in writing to:

Raymond James & Associates, Inc.
Suite 702
3050 Peachtree Road NW
Atlanta, GA 30305-2242
Attn: William J. Camp, Managing Director

15. BENEFIT.

This Purchase Agreement is made solely for the benefit of the Issuer and the Underwriter (including their successors or assigns) and no other person, partnership, association, or corporation shall acquire or have any right hereunder or by virtue hereof. Except as otherwise expressly provided herein, all of the agreements and representations of the Issuer contained in this Purchase Agreement and in any certificates delivered pursuant hereto shall remain operative and in full force and effect regardless of: (i) any investigation made by or on behalf of the Underwriter; (ii) delivery of and payment for the Bonds hereunder; or (iii) any termination of this Purchase Agreement, other than pursuant to Section 9 (and in all events the agreements of the Issuer pursuant to Sections 10 and 11 hereof shall remain in full force and effect notwithstanding the termination of this Purchase Agreement under Section 9 hereof).

16. NO FIDUCIARY RELATIONSHIP.

The Issuer acknowledges and agrees that (a) the purchase and sale of the Bonds pursuant to this Purchase Agreement is an arm's-length commercial transaction between the Issuer and the Underwriter, (b) in connection therewith and with the discussions, undertakings, and procedures leading up to the consummation of this transaction, the Underwriter is and has been acting solely as a principal and is not acting as the agent or fiduciary of the Issuer, (c) the Underwriter has not assumed an advisory or fiduciary responsibility in favor of the Issuer with respect to the offering contemplated hereby or the discussions,

undertakings and procedures leading thereto (regardless of whether the Underwriter has provided other services or is currently providing other services to the Issuer on other matters) and the Underwriter has no obligation to the Issuer with respect to the offering contemplated hereby except the obligations expressly set forth in this Purchase Agreement, (d) the Underwriter has financial and other interests that differ from those of the Issuer and (e) the Issuer has consulted its own legal, financial and other advisors to the extent it has deemed appropriate.

17. GOVERNING LAW.

THIS PURCHASE AGREEMENT SHALL BE DEEMED TO BE A CONTRACT UNDER, AND FOR ALL PURPOSES SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF GEORGIA.

18. MISCELLANEOUS.

(a) This Purchase Agreement contains the entire agreement between the parties relating to the subject matter hereof and supersedes all oral statements, prior writings, and representations with respect thereto.

(b) This Purchase Agreement may be executed in several counterparts, each of which shall be deemed an original hereof.

[ONE SIGNATURE PAGE, ONE SCHEDULE, AND ONE EXHIBIT FOLLOW]

Very truly yours,

**RAYMOND JAMES &
ASSOCIATES, INC.,** As Underwriter

By: _____
William J. Camp, Managing Director

APPROVED AND AGREED TO AS OF
September 17, 2024:

CITY OF GAINESVILLE, GEORGIA,

By: _____
W. Samuel Couvillon, Mayor

\$[Par Amount]
City of Gainesville, Georgia (Georgia)
Water and Sewerage Revenue Bonds,
Series 2024

<u>Bond</u>	<u>Maturity</u>	<u>Principal</u>	<u>Interest</u>	<u>Yield (%)</u>	<u>Price (%)</u>	<u>CUSIP⁽¹⁾</u>
<u>Component</u>	<u>(June 1)</u>	<u>Amount (\$)</u>	<u>Rate (%)</u>			
Serial Bonds:						
Total:		\$				
20__Term Bond:					c	
					c	
Total:						
20__Term Bond:					c	
					c	
					c	
					c	
Total:					c	
20__Term Bond:						
Total:						

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**FORM OF
ISSUE PRICE CERTIFICATE**

**[\$Par Amount]
City of Gainesville, Georgia (Georgia)
Water and Sewerage Revenue Bonds,
Series 2024**

The undersigned, on behalf of Raymond James & Associates, Inc. (“**Raymond James**”), hereby certifies as set forth below with respect to the sale and issuance of the captioned obligations (“**Bonds**”).

A. Issue Price.

1. ***Sale of the General Rule Maturities.*** As of the date of this certificate, for each Maturity of the Bonds, the first price at which at least 10% of such Maturity of the Bonds was sold to the Public is the respective price listed in Schedule A.

2. ***Defined Terms.***

(a) *Issuer* means the City of Gainesville, Georgia.

(b) *Maturity* means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate maturities.

(c) *Public* means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term “related party” for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(d) *Underwriter* means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Bonds to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents Raymond James’ interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Tax Certificate for the Bonds and with respect to compliance with the federal income tax rules affecting the Bonds, and by Murray Barnes Finister LLP in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of Internal Revenue Service Form 8038-G, and other federal income tax advice it may give to the Issuer from time to time relating to the Bonds.

RAYMOND JAMES & ASSOCIATES, INC.

By: _____

Name: _____

By: _____

Name: _____

Dated: October 22, 2024

<u>Bond</u>	<u>Maturity</u>	<u>Principal</u>	<u>Interest</u>	<u>Yield (%)</u>	<u>Price (%)</u>	<u>CUSIP⁽¹⁾</u>
<u>Component</u>	<u>(June 1)</u>	<u>Amount (\$)</u>	<u>Rate (%)</u>			
Serial Bonds:						
Total:		\$				
20__Term Bond:					c	
					c	
Total:						
20__Term Bond:					c	
					c	
					c	
					c	
Total:					c	
20__Term Bond:						
Total:						

C Priced to the call date of October 1, 20 .

CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (this “Disclosure Certificate”) is executed and delivered by the City of Gainesville, Georgia (the “City”) in connection with the issuance of its Water and Sewerage Revenue Bonds, Series 2024 (the “Series 2024 Bonds”). The City hereby covenants and agrees as follows:

SECTION 1. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the City for the benefit of the Beneficial Owners (as herein defined) and in order to assist the Participating Underwriter (as herein defined) in complying with the Rule (as herein defined).

SECTION 2. Definitions. In addition to the definitions set forth in the Resolution (as herein defined), which apply to any capitalized terms used in this Disclosure Certificate unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

“Annual Report” means any Annual Report provided by the City pursuant to the Rule and this Disclosure Certificate.

“Beneficial Owner” means any person who (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any of the Series 2024 Bonds (including persons holding the Series 2024 Bonds through nominees, depositories or other intermediaries) or (b) is treated as the owner of any of the Series 2024 Bonds for federal income tax purposes.

“Dissemination Agent” means the City, or any successor Dissemination Agent designated in writing by the City and which has filed with the City a written acceptance of such designation.

“EMMA” means the MSRB’s Electronic Municipal Market Access System, which receives electronic submissions of the Annual Report on the EMMA website at <http://www.emma.msrb.org>.

“Financial Obligation” means a (a) debt obligation; (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (c) guarantee of (a) or (b) of this definition. The term “Financial Obligation” shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

“Fiscal Year” means any period of twelve consecutive months adopted by the City, as the case may be, as its fiscal year for financial reporting purposes, and shall initially mean the period beginning on July 1 of each calendar year and ending on June 30 of the following calendar year.

“Listed Events” means any of the events listed in Section 5(a) of this Disclosure Certificate.

“MSRB” means the Municipal Securities Rulemaking Board, or any successor thereto.

“Official Statement” means the Official Statement of the City relating to the Series 2024 Bonds.

“Participating Underwriter” means Raymond James & Associates, Inc.

“Resolution” means the resolution adopted by the City on September 17, 2024, authorizing among other things the issuance and sale of the Series 2024 Bonds, as supplemented from time to time.

“Rule” means Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

“State” means the State of Georgia.

SECTION 3. Provision of Reports by the City.

(a) *Annual Report.*

Within two hundred seventy (270) days after the end of each Fiscal Year (the “Reporting Date”), commencing with Fiscal Year 2024, the City shall file, or shall cause the Dissemination Agent to file, on EMMA an Annual Report containing the following:

(i) The City’s basic financial statements for the preceding Fiscal Year, which shall include the basic financial statements of the System, prepared in accordance with generally accepted accounting principles, as in effect from time to time. The basic financial statements shall be accompanied by an audit report resulting from an audit conducted by an independent certified public accountant or firm of independent public accountants in conformity with generally accepted auditing standards. In the event that the audited financial statements of the City are not available by the Reporting Date, the City or the Dissemination Agent shall instead include unaudited financial statements in the Annual Report and shall indicate in the Annual Report the approximate date on which the audited financial statements are expected to be submitted. The audited financial statements of the City, when available, shall be filed on EMMA.

Notwithstanding the forgoing, if at any point in time the City elects to prepare the basic financial statement of the System separately from those of the City, the Annual Report need only include the basic financial statements of the System.

(ii) If generally accepted accounting principles have changed since the last Annual Report was submitted pursuant to this Disclosure Certificate and if such changes are material to the City, a narrative explanation describing the impact of such changes on the City.

(iii) information for the preceding Fiscal Year regarding the following categories of financial information and operating data of the System to the extent not included in the City’s financial statements: (a) average and maximum daily (in MGD) water demand, (b) number of water connections, (c) number of sewer connections, (d) ten largest water and sewer customers, (e) rates, fees and charges, (f) historical debt service coverage ratio and (g) total costs of capital improvements and funding sources.

The Annual Report shall be in the appropriate electronic format and form prescribed by the MSRB. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided herein. Any or all of the items listed above may be incorporated by reference from other documents, including official statements of debt issues of the City or related public entities, which have been filed in accordance with the Rule and the other rules of the Securities and Exchange Commission. If the document incorporated by reference is a final official statement, it must be available from the MSRB. The City must clearly identify each such other document so incorporated by reference.

The City shall determine each year, prior to the date on which the Annual Report is to be submitted, the manner of filing with EMMA. In the event that the City shall fail to provide to EMMA the Annual Report required in this Section 3, the City shall in a timely manner send a notice to EMMA describing such failure. Such notice shall be in the form attached hereto as Exhibit A.

(b) *Change in Fiscal Year of the City.*

The City shall promptly file a notice of any change in its Fiscal Year on EMMA.

SECTION 4. Reporting of Significant Events.

(a) Within ten (10) business days of the occurrence of one of the following Listed Events with respect to the Series 2024 Bonds, the City shall file, or shall cause the Dissemination Agent to file, a notice of such occurrence on EMMA:

- (i) Principal and interest payment delinquencies.
- (ii) Non-payment related defaults, if material.
- (iii) Unscheduled draw on debt service reserves reflecting financial difficulties.
- (iv) Unscheduled draws on credit enhancements reflecting financial difficulties.
- (v) Substitution of credit or liquidity providers, or their failure to perform.
- (vi) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5071-TEB) or other material notices or determinations with respect to the tax status of the Series 2024 Bonds, or other material events affecting the tax status of the Series 2024 Bonds.
- (vii) Modifications to rights of the Beneficial Owners, if material.
- (viii) Series 2024 Bond calls, if material, and tender offers.
- (ix) Defeasances.
- (x) Release, substitution or sale of property securing repayment of the Series 2024 Bonds, if material.
- (xi) Appointment of an additional or a successor trustee, or the change in name of a trustee, if material.
- (xii) Ratings changes.
- (xiii) Bankruptcy, insolvency, receivership or other similar event of the City including any of the following: the appointment of a receiver, fiscal agent or similar officer for the City in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or government authority has assumed jurisdiction over substantially all of the assets or business of the City or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the City.
- (xiv) The consummation of a merger, consolidation or acquisition involving the City, or the sale of all or substantially all of the assets of the City, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material.
- (xv) Incurrence of a Financial Obligation of the City, if material, or agreement to covenants, events of default, remedies, priority rights or other similar terms of a Financial Obligation of the obligated person, any of which affect Beneficial Owners, if material.
- (xvi) Default, event of acceleration, termination event, modification of terms or other similar events under the terms of a Financial Obligation of the City, any of which reflect financial difficulties.
- (b) The Listed Event shall be in the appropriate electronic format and form prescribed by the MSRB.
- (c) The content of any notice of the occurrence of a Listed Event shall be determined by the City and shall be in substantially the form attached as Exhibit B.

SECTION 5. Termination of Reporting Obligations. The City's obligations under this Disclosure Certificate shall terminate upon the defeasance (within the meaning of the Rule), prior redemption or payment in full of all of the Series 2024 Bonds. The City shall notify EMMA that the City's obligations under this Disclosure Certificate have terminated. If the City's obligations are assumed in full by some other entity, such person shall be responsible for compliance with this Disclosure Certificate in the same manner as if it were the City.

SECTION 6. Dissemination Agent. The City may, from time to time, appoint a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Certificate, and the City may, from time to time, discharge the Dissemination Agent, with or without appointing a successor Dissemination Agent. If at any time there is not a designated Dissemination Agent, the City shall be the Dissemination Agent. Should the City appoint such a Dissemination Agent, it shall provide the Annual Report described in Section 3 of this Disclosure Certificate to the Dissemination Agent not later than fifteen (15) days prior to the Reporting Date.

SECTION 7. Amendment; Waiver. This Disclosure Certificate may not be amended unless independent counsel experienced in securities law matters has rendered an opinion to the City to the effect that the amendment does not violate the provisions of the Rule.

In the event that this Disclosure Certificate is amended or any provision of the Disclosure Certificate is waived, the notice of a Listed Event pursuant to Section 4(a)(vii) or the first Annual Report after such amendment hereof shall explain, in narrative form, the reasons for the amendment or waiver and the impact of the change in the type of operating data or financial information being provided in the applicable Annual Report. If an amendment or waiver is made in this Disclosure Certificate which allows for a change in the accounting principles to be used in preparing financial statements, the applicable Annual Report for the year in which the change is made shall present a comparison between the financial statements or information prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles. The comparison shall include a qualitative discussion of the differences in the accounting principles and impact of the change in the accounting principles on the presentation of the financial information. The City shall file a notice of the change of accounting principles in the same manner as for a Listed Event under Section 4 hereof on or before the effective date of any such amendment or waiver.

SECTION 8. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the City from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the City chooses to include any information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is specifically required by this Disclosure Certificate, the City shall have no obligation under this Disclosure Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

SECTION 9. Default. In the event of a failure of the City to comply with any provision of this Disclosure Certificate, the Participating Underwriter or any Beneficial Owner may take such action as may be necessary and appropriate, including seeking specific performance by court order, to cause the City to comply with its obligations under this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed a "default" or an "event of default" under the Resolution, and the sole remedy under this Disclosure Certificate in the event of any failure to any party to comply with this Disclosure Certificate shall be an action to compel performance.

SECTION 10. Duties, Immunities and Liabilities of Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Certificate, and the City agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents harmless against any loss, expense and liabilities which they may incur arising out of or in the exercise or performance of their powers and duties hereunder, including the costs and expenses (including attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. The Dissemination Agent may consult with counsel (who may, but need not, be counsel for the City), and the opinion of such Counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it hereunder in good faith and in accordance with the opinion of such Counsel. The obligations of the City under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Series 2024 Bonds.

SECTION 11. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the City, the Participating Underwriter, and Beneficial Owners from time to time of the Series 2024 Bonds, and shall create no rights in any other person or entity.

SECTION 12. Counterparts. This Disclosure Certificate may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

SECTION 13. Governing Law. This Disclosure Certificate shall be governed by and construed in accordance with the laws of the State.

SECTION 14. Severability. In case any one or more of the provisions of this Disclosure Certificate shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provision of this Disclosure Certificate, but this Disclosure Certificate shall be construed and enforced as if such illegal or invalid provision had not been contained herein.

[Signature Page to Follow]

Date: [____], 2024.

CITY OF GAINESVILLE, GEORGIA

By: _____
W. Samuel Couvillon, Mayor

EXHIBIT A

NOTICE OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer: City of Gainesville, Georgia

Name of Bond Issue: City of Gainesville, Georgia Water and Sewerage Revenue Bonds, Series 2024 (the “Series 2024 Bonds”)

CUSIP Number: _____

Date of Issuance: [____], 2024

NOTICE IS HEREBY GIVEN that the City has not provided an Annual Report due with respect to the Series 2024 Bonds as required by its Disclosure Certificate, dated [____], 2024. The City anticipates that the Annual Report will be filed by _____.

This notice is based on the best information available at the time of dissemination. Any questions regarding this notice should be directed to _____.

Dated: _____

CITY OF GAINESVILLE, GEORGIA

By: _____
Title:

EXHIBIT B

NOTICE TO REPOSITORIES OF THE OCCURRENCE OF
[INSERT THE LISTED EVENT]

Relating to

City of Gainesville, Georgia Water and Sewerage Revenue Bonds, Series 2024 (the “Series 2024 Bonds”)

CUSIP NUMBER _____

Notice is hereby given that [insert the Listed Event] has occurred. [Describe circumstances leading up to the event, action being taken and anticipated impact.]

This notice is based on the best information available at the time of dissemination and is not guaranteed as to accuracy or completeness. Any questions regarding this notice should be directed to [insert instructions for presenting securities, if applicable].

[Notice of the Listed Events described in Section 4(a)(ix) shall include the following:

The City hereby expressly reserves the right to redeem such refunded or defeased bonds prior to their stated maturity date in accordance with the optional/extraordinary redemption provisions of said defeased bonds.

OR

The City hereby covenants not to exercise any optional or extraordinary redemption provisions under the Resolution; however, the sinking fund provision will survive the defeasance.

AND

The Series 2024 Bonds have been defeased to [maturity/the first call date, which is ____]. This notice does not constitute a notice of redemption and no bonds should be delivered to the City as a result of this mailing. A Notice of Redemption instructing you where to submit your bonds for payment will be mailed ____ to ____ days prior to the redemption date.]

Dated: _____

CITY OF GAINESVILLE, GEORGIA

By: _____
Title:

ESCROW DEPOSIT AGREEMENT

THIS ESCROW DEPOSIT AGREEMENT is dated as of October 1, 2024 (this “Agreement”) and is entered into by the CITY OF GAINESVILLE, GEORGIA (the “City”), THE BANK OF NEW YORK MELLOW TRUST COMPANY, N.A., as escrow agent (the “Escrow Agent”) and THE BANK OF NEW YORK MELLOW TRUST COMPANY, N.A., as paying agent (the “2014 Paying Agent”) for the Refunded Bonds (hereafter defined).

W I T N E S S E T H:

WHEREAS, pursuant to a bond resolution adopted by the City on October 25, 2001, as amended by a supplemental resolution adopted on October 5, 2005 (collectively, the “Master Bond Resolution”), and a parity bond resolution adopted by the City on November 18, 2014, as supplemented on December 16, 2014 (collectively, the “014 Resolution” and together with the Master Bond Resolution, the “Prior Resolution”), the City has issued its Water and Sewerage Refunding Revenue Bonds, Series 2014 in the aggregate principal amount of \$83,650,000 (the “Series 2014 Bonds”); and

WHEREAS, the City has determined that, due to present market conditions, it is advisable, feasible and in the best interest of the City to refund a portion of the Series 2014 Bonds; and

WHEREAS, pursuant to a parity bond resolution adopted by the City on September 17, 2024 (the “Resolution”), the City proposes to issue its Water and Sewerage Revenue Bonds, Series 2024 (the “Series 2024 Bonds”) in the principal amount of \$[_____] for the purpose of (a) making certain improvements to the City’s water and sewerage system, (b) refunding the City’s Water and Sewerage Refunding Revenue Bonds, Series 2014 maturing on and after November 15, 2025 (the “Refunded Bonds”), and (c) paying the costs of issuing the Series 2024 Bonds; and

WHEREAS, the City now proposes to cause the outstanding Refunded Bonds to be defeased within the meaning of the Prior Resolution by depositing in the “Escrow Fund,” created in Section 5 of this Agreement, sufficient moneys and investments, the principal of and interest on which, when due, will provide sufficient moneys to pay, when due, the defeasance requirements of the outstanding Refunded Bonds, which are set forth on Exhibit “A,” which is attached hereto and by this reference is incorporated herein and made a part hereof (the “Defeasance Requirements”);

NOW, THEREFORE, in consideration of the foregoing and of the mutual covenants hereinafter set forth and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. The outstanding Refunded Bonds shall be refunded through payment as provided in this Agreement. The City hereby directs the Escrow Agent to transfer \$[_____] on deposit in the Sinking Fund created in the Master Bond Resolution allocable to the Refunded

Bonds to the Escrow Fund. The City and the Escrow Agent hereby confirm the deposit with the Escrow Agent of \$[] from the sale of the Series 2024 Bonds. The City hereby directs that the Escrow Agent deposit such moneys into the Escrow Fund. The City hereby further directs that the Escrow Agent apply \$[] of the moneys on deposit in the Escrow Fund to the immediate purchase of the general and direct non-callable obligations of the United States of America which are more fully described in Exhibit “B” attached hereto and by this reference incorporated herein (the “Acquired Obligations”), and that the Escrow Agent hold \$[] of the money on deposit in the Escrow Fund in cash (the “Cash”).

2. The Escrow Agent acknowledges receipt of:

- (a) a certified copy of the Prior Resolution and the Resolution;
- (b) the Cash;
- (c) the evidence submitted to it of ownership by it, as Escrow Agent, of the Acquired Obligations; and
- (d) a copy of the Verification Report of Integrity Public Finance Consulting LLC, dated [], 2024 (the “Verification Report”).

3. Based upon the Verification Report, the City represents and warrants that the principal of and the interest on the Acquired Obligations as and when received will provide moneys sufficient, together with the Cash, to pay the Defeasance Requirements.

4. If required to facilitate the delivery of the Acquired Obligations, the Escrow Agent may, at the written direction of the City, accept temporarily other general and direct obligations of the United States of America (the “Temporary Securities”) in lieu of any of the Acquired Obligations provided that the Escrow Agent is furnished with (a) a verification report indicating that the Temporary Securities together with the Cash will produce amounts sufficient to pay the Defeasance Requirements and (b) an opinion of Murray Barnes Finister LLP or other nationally recognized bond counsel to the effect that such substitution shall not affect the tax-exempt status of the interest on the Series 2024 Bonds or the Refunded Bonds. When the Acquired Obligations for which the Temporary Securities were temporarily substituted are presented to the Escrow Agent together with written instructions from the City, the Escrow Agent shall exchange such Temporary Securities for such Acquired Obligations. Any and all fees and costs relating to any substitution or exchange requested by the City of Temporary Securities for the Acquired Obligations, including without limitation the fees and costs of obtaining any necessary opinions and certifications, and of the Escrow Agent, shall be paid by the City. If any Temporary Securities are deposited within the Escrow Fund pursuant to this paragraph, all references to the term “Acquired Obligations” within this Escrow Agreement shall, so long as the Temporary Securities remain on deposit in the Escrow Fund, be deemed to include said Temporary Securities.

The Escrow Agent may, at the written direction of the City, accept general and direct obligations of the United States of America in substitution (the “Substitute Securities”) for all or any of the Acquired Obligations provided that the Escrow Agent is furnished with (a) a

verification report indicating that the Substitute Securities together with any other Acquired Obligations and the Cash will produce amounts sufficient to pay the Defeasance Requirements and (b) an opinion of Murray Barnes Finister LLP or other nationally recognized bond counsel to the effect that such substitution will not affect the tax-exempt status of the interest on the Series 2024 Bonds or the Refunded Bonds. Any and all fees and costs relating to any substitution or exchange requested by the City of Substitute Securities for the Acquired Obligations, including without limitation the fees and costs of obtaining any necessary opinions and certifications, and of the Escrow Agent, shall be paid by the City. If any Substitute Securities are deposited within the Escrow Fund pursuant to this paragraph, all references to “Acquired Obligations” within this Escrow Agreement shall be deemed to include said Substitute Securities.

5. There is hereby created by the City and ordered established with the Escrow Agent a special separate and irrevocable trust fund to be designated the “City of Gainesville Escrow Fund, Series 2024” (the “Escrow Fund”). The Escrow Agent acknowledges the establishment with it of the Escrow Fund, acknowledges that the Acquired Obligations and the Cash have been deposited in said Escrow Fund, and agrees that any interest earned upon said Acquired Obligations shall be held uninvested for the credit of the Escrow Fund. The Escrow Agent warrants that it shall never allow the Acquired Obligations, the Cash or any other assets of the Escrow Fund to be commingled with any other funds or securities of the Escrow Agent or any other person. The Acquired Obligations, the Cash and all other assets of the Escrow Fund shall always be maintained by the Escrow Agent as trust funds for the benefit of the owners of the Refunded Bonds, and a special account thereof shall at all times be maintained on the books of the Escrow Agent. The amounts received by the Escrow Agent under this Agreement shall not be considered as a banking deposit by the City, and the Escrow Agent shall have no right or title with respect thereto. The amounts received by the Escrow Agent under this Agreement shall not be subject to warrants, drafts or checks drawn by the City. The creation and establishment of the Escrow Fund for the purposes herein specified shall be irrevocable.

6. The Escrow Agent agrees to apply the Cash and the proceeds of the Acquired Obligations deposited in the Escrow Fund to the payment of the Defeasance Requirements as provided in this Agreement. The Escrow Agent shall be under no duty to reinvest the Cash and proceeds of the Acquired Obligations deposited in the Escrow Fund.

7. The 2014 Paying Agent agrees that it will continue to comply with the applicable and necessary provisions of the Prior Resolution which pertain to the payment, registration, transfer and exchange of the Refunded Bonds and the replacement of lost, destroyed or mutilated Refunded Bonds. Such provisions are specifically incorporated herein and made a part hereof by this reference thereto.

8. The Escrow Agent and the 2014 Paying Agent acknowledge that they will, by virtue of their services hereunder, have no lien or right of set-off on the Acquired Obligations, the Cash or any other securities or moneys in the Escrow Fund for payment of the Escrow Agent’s fees and expenses for acting as Escrow Agent hereunder, for the payment of the Series 2014 Paying Agent’s fees and expenses for acting as paying agent and bond registrar with respect to the Refunded Bonds, or for mailing the notices required by this Agreement. The Escrow Agent shall be paid a one-time fee of \$[REDACTED] for its services hereunder.

9. The 2014 Paying Agent 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 2014 Paying Agent or the 2014 Paying Agent is holding money sufficient to make such payments.

10. 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 City reports thereof upon written request, subject to such reasonable regulations or restrictions as the Escrow Agent may from time to time impose.

11. On the date the Series 2024 Bonds are issued and this Agreement is executed and delivered, in compliance with the City's obligations under its continuing disclosure agreement executed in connection with the issuance of the Series 2014 Bonds, the Escrow Agent shall (a) mail by first-class mail, postage prepaid, to all registered owners of the Refunded Bonds, a provision of payment notice substantially in the form attached hereto as Exhibit "C" (the "2014 Provision for Payment Notice") and (b) file such 2014 Provision for Payment Notice with the Municipal Securities Rulemaking Board's (the "MSRB") Electronic Municipal Market Access System ("EMMA") in an approved electronic format prescribed by the MSRB.

12. At least 30 days before the redemption date, but no more than 60 days before such date, the Escrow Agent shall (a) mail by first-class mail, postage prepaid, to all registered owners of the Refunded Bonds, a notice of redemption substantially in the form attached hereto as Exhibit "D" (the "2014 Redemption Notice") and (b) file such 2014 Redemption Notice with EMMA in an approved electronic format prescribed by the MSRB.

Notwithstanding anything to the contrary herein, the Escrow Agent shall not have any liability to any party in connection with any failure to timely file such notices with the MSRB (which as of the date hereof is EMMA) and the sole remedy available shall be an action by the holders of the Refunded Bonds in mandamus for specific performance or similar remedy to compel performance.

13. (a) The City agrees that the liability of the Escrow Agent for the payment of the Defeasance Requirements shall be limited to the application of the principal of and the income derived from the Acquired Obligations and Cash available for such purpose as provided hereunder.

(b) The Escrow Agent may conclusively rely and be fully protected in acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, consent, order or other paper or document reasonably believed by it to be genuine and to have been signed or presented by the proper party or parties.

(c) The Escrow Agent may consult with counsel (who may, but not need be, counsel to the City) and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by the Escrow Agent hereunder in good faith in accordance with the opinion of such counsel.

(d) Notwithstanding anything else herein contained, to the fullest extent permitted by applicable law, the City hereby agrees to indemnify, defend and hold the Escrow Agent harmless from and against any loss, liability, cost or expense (including reasonable attorneys' fees, costs and disbursements) arising hereunder or in connection herewith, except to the extent any such loss, liability, cost or expense is the result of the gross negligence or willful misconduct of the Escrow Agent. Such indemnification shall survive the termination of this Agreement or the sooner resignation or removal of the Escrow Agent and shall inure to the benefit of the Escrow Agent's successors and assigns.

(e) The Escrow Agent may act through its agents and attorneys and shall not be responsible for any misconduct or negligence on the part of any such person so appointed with due care.

(f) Any payment obligation of the Escrow Agent hereunder shall be paid from, and is limited to funds available, established and maintained under this Agreement and the Escrow Agent shall not be required to expend its own funds for the performance of its duties hereunder.

(g) 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.

(h) The Escrow Agent undertakes to perform such duties and only such duties as are specifically set forth in this Agreement, and no implied covenants or obligations should be read into this Agreement against the Escrow Agent.

(i) 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.

14. This Agreement is made for the benefit of the holders from time to time of the Refunded Bonds and it shall not be repealed, revoked, altered or amended without the written consent of all such holders and the written consent of the parties hereto; provided, that the parties hereto may, without the consent of, or notice to, such holders, 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 Series 2024 Bonds or the Refunded Bonds; 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, and redemption premium with respect to (if any), the Refunded Bonds when due. Prior to executing any amendment to this Agreement, the Escrow Agent shall receive and shall conclusively rely upon an opinion of Murray Barnes Finister LLP or other nationally recognized bond 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 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 and the redemption premium with respect thereto (if any) as provided herein.

16. The Escrow Agent may resign and be discharged of its duties and obligations hereunder by giving notice in writing of such resignation to the City specifying a date when such resignation shall take effect. The City shall promptly appoint a successor escrow agent by the resignation date. In the event the Escrow Agent shall become incapable of acting hereunder, or shall file bankruptcy, or a receiver for the Escrow Agent shall be appointed by a court, the City shall appoint a successor escrow agent to fill such vacancy. The City shall cause notice of any such appointment to be sent to each registered owner of the outstanding Refunded Bonds.

In the event that no appointment of a successor escrow agent shall have been made by the City pursuant to the foregoing provisions within 60 days after one of the events enumerated above, the owner of any of the Refunded Bonds or the retiring Escrow Agent may apply to any court of competent jurisdiction for the appointment of a successor escrow agent, and such court may thereupon, after such notice, if any, as it shall deem proper, appoint a successor escrow agent.

No successor escrow agent shall be appointed unless such successor escrow agent shall be a bank or corporation with trust powers organized under the banking laws of the United States or any state and shall have at the time of appointment capital and surplus of not less than \$25,000,000.

Every successor escrow agent appointed hereunder shall execute, acknowledge and deliver to its predecessor and to the City, an instrument in writing accepting such appointment

hereunder and thereupon such successor escrow agent without any future act, deed or conveyance, shall become fully vested with all the rights, immunities, powers, trusts, duties and obligations of its predecessor; but such predecessor shall, nevertheless, on the reasonable written request of such successor escrow agent or the City execute and deliver an instrument transferring to such successor escrow agent all the estates, properties, rights, powers and trusts of such predecessor hereunder. Every predecessor escrow agent shall deliver all securities and moneys held by it to its successor. Should any transfer, assignment or instrument in writing from the City be required by a successor escrow agent to more fully and certainly vest in such successor escrow agent the estates, rights, powers, and duties hereby vested or intended to be vested in the predecessor escrow agent, any such transfer, assignment and instruments in writing shall, on request, be executed, acknowledged and delivered by a duly authorized officer of the City.

Any corporation into which the Escrow Agent, or any successor to it in the trusts created by this Agreement, may be merged or converted or with which it or any successor to it may be consolidated or to which it sells or otherwise transfers all or substantially all of its corporate trust business, or any corporation resulting from any merger, conversion, consolidation, sale, transfer or reorganization to which the Escrow Agent or any successor to it shall be a party shall, if satisfactory to the City, be the successor escrow agent under this Escrow Agreement without the execution or filing of any paper or any other act on the part of any of the parties thereto, anything herein to the contrary notwithstanding.

17. 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.

18. This Escrow Agreement shall be governed in accordance with the laws of the State of Georgia without regard to conflict of law principles.

19. All the covenants and agreements in this Agreement contained by or on behalf of the City or the Escrow Agent shall bind and inure to the benefit of their respective successors and assigns, whether or not so expressed.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorized officers, all as of the date and year first above written.

CITY OF GAINESVILLE, GEORIGIA

By: _____
W. Samuel Couvillon, Mayor

(Escrow Deposit Agreement)

The Bank of New York Mellon Trust Company,
N.A., as Escrow Agent

By: _____
Title:

The Bank of New York Mellon Trust Company,
N.A., as Escrow Agent

By: _____
Title:

(Escrow Deposit Agreement)

EXHIBIT "A"
TO
ESCROW DEPOSIT AGREEMENT

DEFEASANCE REQUIREMENTS - REFUNDED BONDS

Date	Interest	Principal	Principal Redeemed	Total
11.15.2024				
1.15.2025				

EXHIBIT "B"
TO
ESCROW DEPOSIT AGREEMENT

ACQUIRED OBLIGATIONS - REFUNDED BONDS

Purchase Date	Type of Security	Type of SLGS	Maturity Date	First Interest Payment Date	Par Amount	Rate	Max Rate
10/22/2024							

EXHIBIT “C”
TO
ESCROW DEPOSIT AGREEMENT

PROVISION FOR PAYMENT NOTICE

CITY OF GAINESVILLE, GEORGIA
WATER AND SEWERAGE REFUNDING REVENUE BONDS, SERIES 2014

NOTICE IS HEREBY GIVEN that provision for the payment of the above-captioned bonds maturing November 15, 2025 and thereafter (the “Refunded Bonds”) more fully described below has been made. The interest on the Refunded Bonds will be paid as the same becomes due up to and including January 15, 2025 (the “Redemption Date”). The Refunded Bonds will be called for redemption on the Redemption Date. The Bank of New York Mellow Trust Company, N.A. (the “Escrow Agent”) has received and has on irrevocable deposit under an Escrow Deposit Agreement, dated as of October 1, 2024, 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 interest on the Refunded Bonds up to and including the Redemption Date and to redeem such Refunded Bonds on the Redemption Date at a redemption price equal to 100% of the principal amount thereof plus accrued interest. Interest on the Refunded Bonds called for redemption will cease to accrue after such Redemption Date.

Callable Bonds

<u>CUSIP Numbers</u>	<u>Maturity Date</u>
363010XV6	11/15/2025
363010XW4	11/15/2026
363010XX2	11/15/2027
363010XY0	11/15/2028

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

This notice is for information purposes only and does not require any action at this time. Holders of the Refunded Bonds will be notified prior to the Redemption Date.

The Bank of New York Mellow Trust Company,
N.A., as Escrow Agent

By: _____
Authorized Signatory

Dated: [_____]

EXHIBIT “D”
TO
ESCROW DEPOSIT AGREEMENT

NOTICE OF REDEMPTION

CITY OF GAINESVILLE, GEORGIA
WATER AND SEWERAGE REFUNDING REVENUE BONDS, SERIES 2014

NOTICE IS HEREBY GIVEN that the above-captioned bonds more fully described below (the “Refunded Bonds”) are called for redemption prior to their maturity and will be redeemed on January 15, 2025 (the “Redemption Date”) at a price of 100% of the principal amount to be redeemed plus accrued interest to the Redemption Date. From and after the Redemption Date, interest on the Refunded Bonds shall cease to accrue and any lien or interest in or to any pledge of security or collateral for the Refunded Bonds called for redemption shall also cease and become null on the Redemption Date.

Refunded Bonds

<u>CUSIP Numbers</u>	<u>Maturity Date</u>
363010XV6	11/15/2025
363010XW4	11/15/2026
363010XX2	11/15/2027
363010XY0	11/15/2028

When inquiring about this redemption, please have the Refunded Bond number available. Please inform the customer service representative of the CUSIP number(s) of the affected Refunded Bonds. Our Customer Service number is [_____].

NOTICE

Withholding of a percentage of the gross proceeds of any payment made within the United States may be required by the Interest and Dividend Tax Compliance Act of 1983 unless the Escrow Agent has the correct taxpayer identification number (social security number) or exemption certificate of the payee.

The Escrow Agent is not responsible for the use of the CUSIP numbers. The Escrow Agent does not make any representation as to their correctness.

The Bank of New York Mellow Trust Company,
N.A., as Escrow Agent

By: _____
Authorized Signatory

Dated: _____

PRELIMINARY OFFICIAL STATEMENT DATED SEPTEMBER __, 2024

NEW ISSUE – BOOK-ENTRY ONLY

RATING

Moody's: “__”

S&P: “__”

(See “MISCELLANEOUS – Ratings”)

In the opinion of Bond Counsel, subject to the limitations and conditions described herein, interest on the Series 2024 Bonds (including any original issue discount properly allocable to a holder of the Series 2024 Bonds) is exempt from present State of Georgia income taxation, is excludable from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals; however, such interest is taken into account in determining the annual adjusted financial statement income of certain corporations for the purpose of computing the alternative minimum tax imposed on corporations. See “TAX MATTERS” herein.



\$73,275,000*
CITY OF GAINESVILLE, GEORGIA
Water and Sewerage Revenue Bonds,
Series 2024

Dated: Date of Issuance

Due: November 15, as shown on inside cover

The City of Gainesville, Georgia (the “City”) is issuing its Water and Sewerage Revenue Bonds, Series 2024 (the “Series 2024 Bonds”) for the purpose of (a) making certain improvements to the City’s water and sewerage system (the “System”), (b) refunding the City’s Water and Sewerage Refunding Revenue Bonds, Series 2014 maturing on and after November 15, 2025 (the “Refunded Bonds”) and (c) paying the costs of issuing the Series 2024 Bonds. See “PLAN OF FINANCING” herein.

The Series 2024 Bonds are special limited obligations of the City and are secured by and payable solely from a first lien on and pledge of the Net Revenues (as defined herein) of the System and will be issued on a parity as to lien on Net Revenues with the City’s Water and Sewerage Refunding Revenue Bonds, Series 2014 maturing November 15, 2024. The Series 2024 Bonds do not constitute a charge, lien or encumbrance, legal or equitable, on any other property of the City. No owner of the Series 2024 Bonds shall ever have the right to compel the exercise of the taxing power of the City to pay the same or the interest thereon. See “SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2024 BONDS” herein.

Interest on the Series 2024 Bonds is payable semiannually on May 15 and November 15 of each year (each such date, an “Interest Payment Date”), commencing May 15, 2025, by Regions Bank, Atlanta, Georgia, as Paying Agent and Bond Registrar. The Series 2024 Bonds bear interest from the Interest Payment Date next preceding their date of authentication, except as provided herein. See “DESCRIPTION OF THE SERIES 2024 BONDS – Terms” herein.

The Series 2024 Bonds will be issued in book-entry form and will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York (“DTC” or the “Securities Depository”). The Securities Depository will act as securities depository for the Series 2024 Bonds. Purchases will be made only through Participants (as defined herein) in the Securities Depository, and no physical delivery of the Series 2024 Bonds will be made to Beneficial Owners (as defined herein). Payment of the principal of and interest on the Series 2024 Bonds will be made by the Paying Agent directly to the Securities Depository and will subsequently be disbursed to Participants and thereafter to Beneficial Owners. Registrations of transfers and exchanges will be made

in accordance with the rules of the Securities Depository. See “DESCRIPTION OF THE SERIES 2024 BONDS - Book -Entry System of Registration” herein.

The Series 2024 Bonds are subject to redemption prior to maturity. See “DESCRIPTION OF THE SERIES 2024 BONDS – Redemption” herein.

THIS COVER PAGE CONTAINS CERTAIN INFORMATION FOR QUICK REFERENCE ONLY. IT IS NOT A SUMMARY OF THIS ISSUE. INVESTORS MUST READ THE ENTIRE OFFICIAL STATEMENT TO OBTAIN INFORMATION ESSENTIAL TO THE MAKING OF AN INFORMED INVESTMENT DECISION.

The Series 2024 Bonds are offered, subject to prior sale, when, as and if issued by the City and accepted by the Underwriter and subject to the approving opinion of Murray Barnes Finister LLP, Bond Counsel and Disclosure Counsel to the City. Certain legal matters will be passed upon for the City by its counsel, Hulsey, Oliver & Mahar, LLP, Gainesville, Georgia. The Series 2024 Bonds will be available for delivery through DTC on or about October ____, 2024.

RAYMOND JAMES®

Date: September ____, 2024

*Preliminary, subject to change.

MATURITIES, AMOUNTS, INTEREST RATES, YIELDS AND CUSIP NUMBERS

<u>Maturity</u> <u>(November 15)*</u>	<u>Principal</u> <u>Amount*</u>	<u>Interest</u> <u>Rate</u>	<u>Yield</u>	<u>CUSIP</u> <u>Number</u> ⁽¹⁾
2025	\$5,515,000			
2026	5,200,000			
2027	3,855,000			
2028	3,710,000			
2029	1,960,000			
2030	2,060,000			
2031	2,160,000			
2032	2,270,000			
2033	2,380,000			
2034	2,500,000			
2035	2,625,000			
2036	2,755,000			
2037	2,895,000			
2038	3,040,000			
2039	3,190,000			
2040	3,350,000			
2041	3,520,000			
2042	3,695,000			
2043	3,880,000			
2044	4,075,000			
2045	4,235,000			
2046	4,405,000			

⁽¹⁾ CUSIP data presented herein has been provided by Standard & Poor's CUSIP Service Bureau, a division of The McGraw-Hill Companies, Inc. Copyright, American Bankers Association. CUSIP numbers are set forth herein for the convenience of reference only and neither the City nor the Underwriter nor their respective agents take responsibility for the accuracy of such data.

*Preliminary, subject to change

CITY OF GAINESVILLE, GEORGIA

Elected Officials

Sam Couvillon, Mayor
Danny Dunagan
Zack Thompson
Barbara B. Brooks
Abigail Guzman
Juli Hayes

Appointed Officials

Bryan Lackey, City Manager
Jeremy Perry, Chief Financial Officer

CITY'S COUNSEL

Hulsey, Oliver & Mahar, LLP
Gainesville, Georgia

BOND COUNSEL AND DISCLOSURE COUNSEL

Murray Barnes Finister LLP
Atlanta, Georgia

UNDERWRITER

Raymond James & Associates, Inc.
Atlanta, Georgia

No dealer, broker, salesman or other person has been authorized to give any information or to make any representations, other than those contained in this Official Statement in connection with the offering contained herein, and if given or made, such other information or representations must not be relied upon. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Series 2024 Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale.

The information contained in this Official Statement has been obtained from representatives of the City, public documents, records and other sources considered to be reliable. Raymond James & Associates, Inc. (the “Underwriter”) has provided the following sentence for inclusion in this Official Statement. The Underwriter has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.

The delivery of this Official Statement at any time does not imply that any information herein is correct as of any time subsequent to its date. Any statements in this Official Statement involving estimates, assumptions and matters of opinion, whether or not so expressly stated, are intended as such and not representations of fact.

NO REGISTRATION STATEMENT RELATING TO THE SERIES 2024 BONDS HAS BEEN FILED WITH THE SECURITIES AND EXCHANGE COMMISSION (“SEC”) OR ANY STATE SECURITIES AGENCY. THE SERIES 2024 BONDS HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SEC OR ANY STATE SECURITIES AGENCY, NOR HAS THE SEC OR ANY STATE SECURITIES AGENCY PASSED UPON THE ACCURACY OR ADEQUACY OF THIS OFFICIAL STATEMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE. IN MAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE CITY, THE SYSTEM AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED.

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITER MAY OVER-ALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE SERIES 2024 BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

Any projections or forecasts contained herein are based on current expectations but are not intended as representations of fact or guarantees of results. The projections or forecasts are intended to be forward-looking statements as defined in the Securities Act of 1933, as amended (the “1933 Act”), and such projections and forecasts inherently are subject to a variety of risks and uncertainties, which could cause actual results to differ materially from those contemplated in such projections. These projections and forecasts speak only as of the date of this Official Statement. The City disclaims any obligation or undertaking to release publicly any updates or revisions to any projections or forecasts contained herein to reflect any change in their expectations with regard thereto or any change in events, conditions or circumstances on which any such projections or forecasts are based.

The Series 2024 Bonds have not been registered under the 1933 Act, and the Resolution (as defined herein) has not been qualified under the Trust Indenture Act of 1939, in reliance on exemptions contained in such Acts.

This Preliminary Official Statement has been deemed final by the City for purposes of U.S. Securities and Exchange Commission Rule 15c2-12, except for permitted omissions described in paragraph (b)(1) of Rule 15c2-12.

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⁽¹⁾ The Series 2024 Bonds are secured solely by the Net Revenues and not by any other moneys of the City, including but not limited to General Fund moneys. The audited financial statements of the City are included in their entirety only because the financial statements for the System's operations are not prepared separately.

\$73,275,000*
City of Gainesville, Georgia
Water and Sewerage Revenue Bonds,
Series 2024

INTRODUCTION

General

This Official Statement sets forth certain information concerning the City of Gainesville, Georgia (the “City”), its existing water and sewerage system (the “System”) and its proposed Water and Sewerage Revenue Bonds, Series 2024 (the “Series 2024 Bonds”). Definitions of certain terms used in this Official Statement and not otherwise defined herein are set forth in Appendix A.

This Introduction is not a summary of this Official Statement and is intended only for quick reference. It is only a brief description of and guide to, and is qualified in its entirety by reference to, more complete and detailed information contained in the entire Official Statement, including the cover page and the Appendices, and the documents summarized or described herein. Investors should fully review the entire Official Statement. The offering of the Series 2024 Bonds to potential investors is made only by means of the entire Official Statement, including the Appendices hereto.

City

The City is a duly created and validly existing municipal corporation of the State of Georgia, and is authorized to own and operate the System. The City is located in the northeastern portion of the State of Georgia approximately 52 miles northeast of the City of Atlanta. The City had an estimated population of 47,265 as of July 1, 2023. See “THE CITY” and “THE SYSTEM.”

Purpose of the Series 2024 Bonds

The City is issuing the Series 2024 Bonds for the purpose of (a) making certain improvements to the System (the “Series 2024 Project”) (b) refunding a the City’s Water and Sewerage Refunding Revenue Bonds, Series 2014 maturing on and after November 15, 2025 (the “Refunded Bonds”) and (c) paying the costs of issuing the Series 2024 Bonds. See “PLAN OF FINANCING.”

Security and Sources of Payment for the Series 2024 Bonds

The Series 2024 Bonds are special limited obligations of the City and are secured by and payable solely from a first lien on and pledge of the revenues derived by the City from the ownership and operation of the System remaining after the payment of expenses of operating, maintaining and repairing the System (as more specifically defined in Appendix A, the “Net Revenues”). The Series 2024 Bonds do not constitute a charge, lien or encumbrance, legal or equitable, on any other property of the City. No owner of the Series 2024 Bonds shall ever have the right to compel the exercise of the taxing power of the City to pay the same or the interest thereon.

Upon the issuance of the Series 2024 Bonds, the Series 2024 Bonds, and the Series 2014 Bonds maturing on November 15, 2024 (the “Outstanding Series 2014 Bonds”) will be the only obligations secured by a first lien on the Net Revenues of the System]. The City has reserved the right to issue Additional Bonds (as defined in Appendix A). If such Additional Bonds are issued, they will be secured by a first lien on and pledge of the Net Revenues of the System on a parity with the lien thereon securing the Series 2024 Bonds and the Outstanding Series 2014 Bonds.

The Series 2024 Bonds will not be secured by a debt service reserve subaccount. The City may establish a debt service reserve subaccount as security for Additional Bonds. If created, such debt service reserve subaccount will not secure the Series 2024 Bonds.

*Throughout this Preliminary Official Statement, an asterisk indicates that the information is preliminary and subject to change.

See “SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2024 BONDS” and “SYSTEM FINANCIAL INFORMATION.”

Paying Agent and Bond Registrar, Custodian and Depositories

Regions Bank has been designated as paying agent (the “Paying Agent”) and bond registrar (the “Bond Registrar”) for the Series 2024 Bonds. The principal corporate trust office of the Paying Agent is 1180 West Peachtree Street, Suite 1200, Atlanta, Georgia 30309. Truist Bank, Gainesville, Georgia, will continue to act as Revenue Fund Depository, Sinking Fund Custodian, and Renewal and Extension Fund Depository.

Description of the Series 2024 Bonds

*Redemption**. The Series 2024 Bonds are subject to redemption prior to maturity. See “DESCRIPTION OF THE SERIES 2024 BONDS – Redemption.”

Authorized Denominations. The Series 2024 Bonds are issuable in denominations of \$5,000 or any integral multiple thereof.

Book-Entry. The Series 2024 Bonds will be issued in book-entry form (“Book-Entry Form”) and will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York (“DTC” or the “Securities Depository”). The Securities Depository will act as securities depository for the Series 2024 Bonds. Purchases will be made only through the Participants (hereinafter defined) in the Securities Depository, and no physical delivery of the Series 2024 Bonds will be made to Beneficial Owners (hereinafter defined). See “DESCRIPTION OF THE SERIES 2024 BONDS – Terms” and “– Book-Entry System of Registration.”

Registration, Transfers and Exchanges. The Series 2024 Bonds will be issued in fully registered form. As long as the Series 2024 Bonds are held in Book-Entry Form, registrations of transfers and exchanges will be made in accordance with the rules of the Securities Depository. If the Series 2024 Bonds are no longer held in Book-Entry Form, the Series 2024 Bonds may be registered as transferred and exchanged in accordance with the terms of the Resolution. See “DESCRIPTION OF THE SERIES 2024 BONDS – Terms” and “– Book-Entry System of Registration.”

Payments. Interest on the Series 2024 Bonds is payable semiannually on May 15 and November 15 of each year of each year (each an “Interest Payment Date”), commencing May 15, 2025. The Series 2024 Bonds will mature on the dates and in the amounts set forth on the inside cover page of this Official Statement. As long as the Series 2024 Bonds are held in Book-Entry form, payment of the principal of and interest on the Series 2024 Bonds will be made by the Paying Agent directly to the Securities Depository and will subsequently be disbursed to Participants and thereafter to Beneficial Owners. If the Series 2024 Bonds are no longer held in Book-Entry Form, the principal of and interest on the Series 2024 Bonds will be paid in accordance with the terms of the Resolution. See “DESCRIPTION OF THE SERIES 2024 BONDS – Terms” and “– Book-Entry System of Registration.”

For a more complete description of the Series 2024 Bonds and the basic documentation pursuant to which they were issued, see “DESCRIPTION OF THE SERIES 2024 BONDS” and Appendix A.

Tax Exemption

In the opinion of Bond Counsel, subject to the limitations and conditions hereinafter described, interest on the Series 2024 Bonds (including any original issue discount properly allocable to a holder of the Series 2024 Bonds) is exempt from present State of Georgia income taxation, is excludable from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals; however, such interest is taken into account in determining the annual adjusted financial statement income of certain corporations for the purpose of computing the alternative minimum tax imposed on corporations. See “TAX MATTERS.” See also Appendix D for the form of opinion Bond Counsel proposes to deliver in connection with the issuance of the Series 2024 Bonds.

Professionals Involved in the Offering

Certain legal matters pertaining to the City and its authorization and issuance of the Series 2024 Bonds are subject to the approving opinion of Murray Barnes Finister LLP, Bond Counsel and Disclosure Counsel to the City. Certain legal matters will be passed upon for the City by its counsel, Hulsey, Oliver & Mahar, LLP, Gainesville, Georgia.

The financial statements of the City for the fiscal year ended June 30, 2023, attached hereto as Appendix B have been audited by Rushton, LLC, Gainesville, Georgia. See “MISCELLANEOUS – Independent Auditors.”

Legal Authority for Issuance

The Series 2024 Bonds are being issued pursuant to the Constitution and laws of the State, including the Revenue Bond Law (O.C.G.A. § 36-82-60 *et seq.*), as amended (the “Revenue Bond Law”). The Series 2024 Bonds will be issued under and secured pursuant to the terms and conditions of a resolution adopted by the governing body of the City of Gainesville (the “Governing Body”) on October 25, 2001, as supplemented on October 4, 2005, a resolution adopted by the City on October 20, 2005, a parity bond resolution adopted by the City on November 16, 2006, a parity bond resolution adopted by the City on November 18, 2014, as supplemented on December 16, 2014, as supplemented by a resolution adopted on November 3, 2015, a resolution adopted by the City on September 15, 2016, and a parity bond resolution adopted on September ___, 2024 (collectively, the “Resolution”).

Offering and Delivery of the Series 2024 Bonds

The Series 2024 Bonds are offered, subject to prior sale, when, as and if issued by the City and accepted by the Underwriter. The Series 2024 Bonds will be available for delivery through DTC on or about October ___, 2024.

Continuing Disclosure

The City has covenanted for the benefit of the owners of the Series 2024 Bonds in a Continuing Disclosure Certificate (the “Disclosure Certificate”) to provide (a) certain financial information and operating data relating to the System (the “Operating and Financial Data”) annually to the Municipal Securities Rulemaking Board’s Electronic Municipal Market Access System (“EMMA”) and (b) notices of the occurrence of certain events within 10 business days of their occurrence (the “Events Notices”) to EMMA. The City’s undertaking to provide Operating and Financial Data and Events Notices is described in the Disclosure Certificate, a form of which is attached as Appendix C. The covenants have been made in order to assist the Underwriter in complying with Securities and Exchange Commission Rule 15c2-12 (the “Rule”).

The City entered into written undertakings similar to the Disclosure Certificate in connection with the (a) Georgia Local Government 1998A Grantor Trust Certificates of Participation, Series 1998A (the “1998 Continuing Disclosure Certificate”), (b) Gainesville Redevelopment Authority Revenue Bonds (Downtown Parking Garage Project), Series 2009A (the “2009A Continuing Disclosure Certificate”), (c) Gainesville Redevelopment Authority Revenue Refunding and Improvement Bonds (City of Gainesville, Georgia Projects), Series 2012B (Taxable) (the “2012B Continuing Disclosure Certificate”), (d) Water and Sewerage Refunding Revenue Bonds, Series 2014 (the “2014 Continuing Disclosure Certificate”), and (e) Gainesville Redevelopment Authority Revenue Bonds (Gainesville Projects), Series 2022 (the “Series 2022 Continuing Disclosure Certificate”) (collectively, the “Prior Continuing Disclosure Certificates”). In the last five years, there have been instances in which the City has failed to materially comply with its obligations under the Prior Continuing Disclosure Certificates. Those instances of material non-compliance are described below.

1998 Continuing Disclosure Certificate. The City failed to link its operating and financial data to the related security in 2019 and 2020 and failed to file a notification of such failure. The City failed to provide a copy of the operating and financial data to Georgia Municipal Association, Inc. together with the written certification required by the 1998 Continuing Disclosure Certificate. The 2019 and 2020 operating and financial data was properly linked to this security on August 18, 2022.

2009A Continuing Disclosure Certificate. For 2019 through 2022, the City failed to file (a) a debt by category table that showed intergovernmental contracts, (b) a table showing annual debt service on all long-term tax supported debt and (c) the general fund budget for the next fiscal year. For 2023, The City failed to file its general fund budget for the next fiscal year. The City failed to file a notice of the March 30, 2021 Moody's Investors Service, Inc. ("Moody's") upgrade. Corrective filings were made on August 12, 2022, August 18, 2022 and September 4, 2024.

2012B Continuing Disclosure Certificate. The City failed to file a notice of the March 30, 2021 Moody's upgrade. A corrective filing was made on August 12, 2022.

2014 Continuing Disclosure Certificate. In each of the last five years, the City failed to file the maximum demand information for its water system. The City failed to file a notice of a June 15, 2023 S&P upgrade. Corrective filings were made on August 23, 2022 and September 4, 2024.

In the last five years, there have been instances in which the City has failed to comply with its obligations under the Prior Continuing Disclosure Certificates, but has determined that such non-compliance was immaterial. Those instances of immaterial non-compliance are described below.

2009A Continuing Disclosure Certificate and 2012B Continuing Disclosure Certificate. In 2019 and 2020, the legal debt margin was calculated using debt that was not general obligation debt. The legal debt margin should have been calculated using only general obligation debt. In each of the last five years, the City did not break the real and personal property tax digest down into residential, commercial and industrial categories. In each of the last five years, the City did not include the taxes levied for the ten largest taxpayers, only the assessed value.

2014 Continuing Disclosure Certificate. In each of the last five years, the City (a) did not include (i) the average usage for the ten largest water and sewer customers, only the amount billed, and (ii) some miscellaneous water and sewer fees and (b) included GEFA loans in the debt service coverage table.

The Series 2009A Official Statement contained a draft of the 2009A Continuing Disclosure Certificate. That draft stated the filings would be due within 120 days of the end of each fiscal year. The final 2009A Continuing Disclosure Certificate, executed by the City and dated May 20, 2009, states the filings are due within 180 days of the fiscal year end. Therefore, the City filed timely.

The City maintains policies and procedures with respect to its tax-exempt debt, including procedures related to the timely assemblage and submission of its annual reports and additional continuing disclosure information. The City has updated its procedures to include the information described above in its Annual Comprehensive Financial Reports. Going forward, the City expects to comply fully with its obligations under the Disclosure Certificate and the Prior Continuing Disclosure Certificates.

Other Information

This Official Statement speaks only as of its date, and the information contained herein is subject to change without notice.

This Official Statement and the Appendices hereto contain brief descriptions of, among other matters, the City, the System, the Series 2024 Bonds and the security and sources of payment for the Series 2024 Bonds. Such descriptions and information do not purport to be comprehensive or definitive. The summaries of various constitutional provisions, statutes, the Resolution, the Disclosure Certificate and other documents are intended as summaries only and are qualified in their entirety by reference to such documents and laws, and references herein to the Series 2024 Bonds are qualified in their entirety to the form thereof included in the Resolution. Copies of the Resolution, the Disclosure Certificate and other documents and information are available upon request and upon payment to the City of a charge for copying, mailing, and handling from Jeremy Perry, Chief Financial Officer, City of Gainesville, P.O. Box 2496, Gainesville, Georgia 30503; telephone (770) 535-6898. During the period of the offering of the Bonds copies of such documents are available upon request and upon payment of a charge for copying, mailing, and handling from Raymond James & Associates, Inc., 3050 Peachtree Road, Suite 702, Atlanta, Georgia 30305; telephone: (404) 240-6805.

PLAN OF FINANCING

Estimated Sources and Applications of Funds

The estimated sources and applications of funds are estimated below:

Estimated Sources of Funds:

Par Amount of Bonds \$[73,275,000*]

Plus: Net Original Issue Premium

Sinking Fund Accruals

Total Sources of Funds

Estimated Application of Funds:

Costs of Series 2024 Project

Refunding of Refunded Bonds

Costs of Issuance⁽¹⁾

Total Application of Funds

⁽¹⁾ Includes the Underwriter's discount, legal fees, rating agency fees, initial fee of the Paying Agent, Bond Registrar, Construction Fund and Sinking Fund Custodian, printing costs, validation court costs and other costs of issuance.

Series 2024 Project

A portion of the proceeds of the Series 2024 Bonds will be used to pay the costs of the Series 2024 Project and the costs of issuing the Series 2024 Bonds. The proceeds of the Series 2024 Bonds needed to pay the costs of the Series 2024 Project and the costs of issuing the Series 2024 Bonds will be deposited into the Construction Fund. The money deposited in the Construction Fund will be invested in Permitted Investments (as defined in Appendix A) pending their disbursement and will be requisitioned from the Construction Fund by the City as needed.

The Series 2024 Project consists of the following projects:

1. Flat Creek Water Reclamation Facility Primary Clarifiers. Primary treatment allows wastewater solids to settle ahead of the biological and advanced treatment. Two new Primary Clarifiers will be constructed and two existing tanks will be converted from the current dissolved air flotation technology to primary clarifiers. This project will include associated structural, mechanical, electrical, instrumentation, and control structures and equipment as well as yard piping and other necessary appurtenances.
2. Flat Creek Water Reclamation Facility Headworks. The Headworks facilities are the initial unit process to remove large wastewater debris and grit as well as to pump the influent flow. The work will include screening, grit removal, and pumping. This work will upgrade existing equipment and install new structures and equipment including structural, mechanical, electrical, instrumentation, and control structures and equipment as well as yard piping and other necessary appurtenances.
3. Riverside and Lakeside Water Treatment Plant Improvements. This project will upgrade and expand drinking water treatment capabilities. This project will add new filtration, add redundancy for reliability, and rehabilitate existing treatment units, including structural, mechanical, electrical, instrumentation, and control structures and equipment as well as yard piping and other necessary appurtenances.

The City anticipates following the public procurement requirements contained in State law. The City has not entered into a construction contract for the Series 2024 Project. The City anticipates requiring each contractor to execute performance and payment bonds for each major component of the Series 2024 Project. Failure to complete the Series 2024 Project in a timely manner would not impact the System's current financial results; however, the failure to complete the Series 2024 Project in a timely manner may adversely affect the future financial results of the System.

Refunding

A portion of the proceeds of the Series 2024 Bonds, together with the sinking fund accruals allocable to the Refunded Bonds referenced above will be used to refund the Refunded Bonds. The portion of the proceeds of the Series 2024 Bonds used to refund the Refunded Bonds together with the sinking fund accruals referred to above, will be deposited into an escrow fund (the “Escrow Fund”) created pursuant to an Escrow Deposit Agreement, dated as of October 1, 2024, among the City and Bank of New York Mellon Trust Company, N.A., as escrow agent (the “Escrow Agent”) and Bank of New York Mellon Trust Company, N.A., as paying agent for the Refunded Bonds. The Escrow Agent will apply substantially all such moneys to the purchase of certain United States Treasury Obligations, State and Local Government Series (the “Government Obligations”). The Government Obligations, together with any required cash balance (the “Cash”), will provide sufficient money to pay the interest on the Refunded Bonds due on November 15, 2024, and the principal and interest due on the Refunded Bonds on January 15, 2025, the redemption date of the Refunded Bonds maturing on and after November 15, 2025 (the “Redemption Date”) and to redeem the Refunded Bonds on the Redemption Date. The owners of the Series 2024 Bonds will not have a lien on or be entitled to the Government Obligations or the Cash on deposit in the Escrow Fund. Upon such deposit of Government Obligations and Cash into the Escrow Fund, the Refunded Bonds will be considered defeased and no longer outstanding, and the owners of the Refunded Bonds will no longer have a lien on the Net Revenues of the System.

After giving effect to the refunding of the Refunded Bonds, the City will have outstanding \$5,800,000 in aggregate principal amount of Series 2014 Bonds, maturing November 15, 2024 secured by a lien on the Net Revenues of the System on a parity with the Series 2024 Bonds.

Verification

Integrity Public Finance Consulting LLC (the “Verification Agent”) will deliver to the City, on or before the delivery date of the Series 2024 Bonds, its verification report indicating that it has verified the mathematical accuracy of the mathematical computations of the adequacy of the Cash and the maturing principal of and interest on the Government Obligations, to pay, when due, the principal of and interest on the Refunded Bonds up to and through the Redemption Date.

The verification performed by the Verification Agent will be solely based upon data, information and documents provided to the Verification Agent by the City and its representatives. The Verification Agent has restricted its procedures to recalculating the computations provided by the City and its representatives and has not evaluated or examined the assumptions or information used in the computations.

DESCRIPTION OF THE SERIES 2024 BONDS

Terms

The Series 2024 Bonds will be dated their date of issuance and delivery. The Series 2024 Bonds will bear interest at the rates shown on the inside cover page of this Official Statement (computed on the basis of a 360-day year comprised of twelve 30-day months) from the Interest Payment Date next preceding their date of authentication to which interest has been paid (unless their date of authentication is an Interest Payment Date, in which case from such Interest Payment Date, unless their date of authentication is after the 15th day (whether or not a business day) next preceding an Interest Payment Date (the “Record Date”) but before an Interest Payment Date, in which case from the next Interest Payment Date, or unless their date of authentication is before the first Interest Payment Date, in which case from their date of issuance). Interest is payable on each Interest Payment Date, commencing May 15, 2025. The Series 2024 Bonds will mature on the dates and in the amounts set forth on the inside cover page of this Official Statement. Both the principal of and interest on the Series 2024 Bonds shall be payable in lawful money of the United States of America.

The Series 2024 Bonds shall initially be issued in Book-Entry Form. As long as the Series 2024 Bonds are held in Book-Entry Form, payment of the principal of and interest on the Series 2024 Bonds will be made by the Paying Agent directly to the Securities Depository and will subsequently be disbursed to Participants and thereafter

to Beneficial Owners. See “– Book-Entry System of Registration.” If the Series 2024 Bonds are no longer held in Book-Entry Form, the principal of and interest on the Series 2024 Bonds will be paid in accordance with the terms of the Resolution.

The Series 2024 Bonds will be issued in fully registered form. As long as the Series 2024 Bonds are held in Book-Entry Form, registrations of transfers and exchanges will be made in accordance with the rules of the Securities Depository. See “– Book-Entry System of Registration.” If the Series 2024 Bonds are no longer held in Book-Entry Form, the Series 2024 Bonds may be registered as transferred and exchanged in accordance with the terms of the Resolution.

See Appendix A for more information regarding transfers and exchanges of the Series 2024 Bonds.

Book-Entry System of Registration

DTC will act as securities depository for the Series 2024 Bonds. The Series 2024 Bonds will be issued as fully-registered Series 2024 Bonds registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Series 2024 Bond certificate will be issued for each maturity and will be deposited with DTC.

DTC, the world’s largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments from over 100 countries that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants” and together with the “Direct Participants, the “Participants”). DTC has a Standard & Poor’s rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of Series 2024 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2024 Bonds on DTC’s records. The ownership interest of each actual purchaser of Series 2024 Bonds (“Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in Series 2024 Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Series 2024 Bonds, except in the event that use of the book-entry system for the Series 2024 Bonds is discontinued.

To facilitate subsequent transfers, all the Series 2024 Bonds deposited by Direct Participants with DTC are registered in the name of DTC’s partnership nominee, Cede & Co. or such other name as may be requested by an authorized representative of DTC. The deposit of Series 2024 Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of Series 2024 Bonds; DTC’s records reflect only the identity of the Direct Participants to whose accounts such Series 2024 Bonds are credited, which may or may not be the Beneficial

Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Series 2024 Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2024 Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Series 2024 Bond documents. For example, Beneficial Owners of Series 2024 Bonds may wish to ascertain that the nominee holding the Series 2024 Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Series 2024 Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Series 2024 Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the City as soon as possible after the Record Date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Series 2024 Bonds are credited on the Record Date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds and principal and interest payments on Series 2024 Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts, upon DTC's receipt of funds and corresponding detail information from the City or the Paying Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the City or the Paying Agent, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the City or the Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Series 2024 Bonds at any time by giving reasonable notice to the City or the Paying Agent. Under such circumstances, in the event that a successor depository is not obtained, certificates for the Series 2024 Bonds are required to be printed and delivered.

The City may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, certificates for the Series 2024 Bonds will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the City believes to be reliable, but the City takes no responsibility for the accuracy thereof.

NEITHER THE CITY NOR THE PAYING AGENT AND BOND REGISTRAR HAS ANY RESPONSIBILITY OR OBLIGATION TO THE DTC PARTICIPANTS OR THE BENEFICIAL OWNERS WITH RESPECT TO (A) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR ANY DTC PARTICIPANT; (B) THE PAYMENT BY DTC OR ANY DTC PARTICIPANT OF ANY AMOUNT DUE TO ANY BENEFICIAL OWNER IN RESPECT OF THE PRINCIPAL OF AND INTEREST ON THE SERIES 2024 BONDS; (C) THE DELIVERY OR TIMELINESS OF DELIVERY BY DTC OR ANY DTC PARTICIPANT OF ANY NOTICE TO ANY BENEFICIAL OWNER WHICH IS REQUIRED OR PERMITTED UNDER THE TERMS OF THE RESOLUTION TO BE GIVEN TO BONDHOLDERS; (D) THE SELECTION OF THE BENEFICIAL OWNERS TO RECEIVE PAYMENTS IN THE EVENT OF

ANY PARTIAL REDEMPTION OF THE SERIES 2024 BONDS; OR (E) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC, OR ITS NOMINEE, CEDE & CO., AS REGISTERED BONDHOLDER.

Redemption

Optional Redemption. The Series 2024 Bonds maturing on or after November 15, 2035* are subject to optional redemption, in whole or in part, in any order of maturities, on any date on or after November 15, 2034*, at a redemption price of 100% of the principal amount to be redeemed, plus accrued interest to the redemption date.

Partial Redemption. If the Series 2024 Bonds are called for optional redemption in part, then the particular maturity or maturities to be redeemed shall be selected by the City. If less than all of the Series 2024 Bonds of a maturity are to be called for redemption, then Series 2024 Bonds within each maturity so called for redemption shall be selected (a) in the manner designated by the Securities Depository when the Series 2024 Bonds are held in Book-Entry Form and (b) by lot when the Series 2024 Bonds are not held in Book-Entry Form.

Notice of Redemption. Notice of redemption will be given by the Paying Agent not less than 30 nor more than 60 days prior to the redemption date (a) in accordance with the rules of the Securities Depository as long as the Series 2024 Bonds are held in Book-Entry Form and (b) by first class mail, postage to all registered owners of the Series 2024 Bonds to be redeemed at addresses which appear upon the bond registration book as of the date of giving such notice if the Series 2024 Bonds are no longer held in Book-Entry Form. Any defect in such notice will not affect the validity of the proceedings for such redemption or cause the interest to accrue on the principal amount of the Series 2024 Bonds so designated for redemption after the redemption date. Notice given in the manner describe above will be conclusively presumed to have been given, whether or not the registered owner receives the notice.

If at the time of mailing of notice of redemption there have not been deposited with the Paying Agent or an escrow agent moneys sufficient to redeem all the Series 2024 Bonds called for redemption, such notice will state that it is conditional upon the deposit of the redemption moneys with the Paying Agent or the escrow agent not later than the opening of business on the date established for redemption, and such notice will be of no effect unless such moneys are so deposited.

SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2024 BONDS

General

The Series 2024 Bonds are special limited obligations of the City and are secured by and payable solely from a first lien on and pledge of the Net Revenues of the System. The Series 2024 Bonds do not constitute a charge, lien or encumbrance, legal or equitable, on any other property of the City. No owner of the Series 2024 Bonds shall ever have the right to compel the exercise of the taxing power of the City to pay the same or the interest thereon.

Upon the issuance of the Series 2024 Bonds, the Series 2024 Bonds and the Outstanding Series 2014 Bonds will be the only obligations secured by a first lien on the Net Revenues of the System. The City has reserved the right to issue Additional Bonds (together with the Series 2024 Bonds and the Outstanding Series 2014 Bonds, the “Bonds”). If such Additional Bonds are issued, they will be secured by a first lien on and pledge of the Net Revenues of the System on a parity with the lien thereon securing the Series 2024 Bonds and the Outstanding Series 2014 Bonds. See “– Additional Bonds.”

The Series 2024 Bonds will not be secured by a debt service reserve subaccount (a “Reserve Subaccount”). The City may establish a Reserve Subaccount as security for Additional Bonds. If created, such Reserve Subaccount will not secure the Series 2024 Bonds. See “– Reserve Account.”

Funds and Accounts

Funds and Accounts. The following funds and accounts have been created in the Resolution: the Construction Fund, the Revenue Fund, the Sinking Fund and the Renewal and Extension Fund. The Sinking Fund consists of three accounts: the “Debt Service Account,” the “Swap Payments Account” and the “Debt Service Reserve Account.” As to any issue of Additional Bonds for which the City has determined that it is necessary or desirable to establish a debt service reserve for such Additional Bonds, the Sinking Fund Custodian shall establish a separate special subaccount within the Debt Service Reserve Account, each of which shall be designated as the “Series ____ Reserve Subaccount” (a “Reserve Subaccount”).

Flow of Funds. All revenues arising from the ownership or operation of the System will be collected by the City or by its agents or employees and deposited promptly into the Revenue Fund. The City will pay from the Revenue Fund the reasonable and necessary costs of operating, maintaining and repairing the System, including salaries, wages, the payment of any contractual obligations incurred pertaining to the operation of the System, the cost of materials and supplies, rentals of leased property, real or personal, insurance premiums, audit fees, proper charges for materials and services provided by other departments of the City and such other charges as may properly be made for the purpose of operating, maintaining and repairing the System in accordance with sound business practice, but before making provision for depreciation, interest expense and amortization. The Net Revenues remaining in the Revenue Fund after the payment of such operating expenses have been pledged by the City first as security for any outstanding Bonds and to the provider of any Debt Service Surety Bond or Credit or Liquidity Facility.

After there have been paid from the Revenue Fund the sums required or permitted to be paid pursuant to the provisions of the preceding paragraph, the City will pay from the Revenue Fund into the Debt Service Account of the Sinking Fund equal monthly deposits sufficient to pay debt service on any outstanding Bonds on the next Interest Payment Date.

After there have been paid from the Revenue Fund the sums required or permitted to be paid pursuant to the preceding paragraphs, the City will pay from the Revenue Fund into any Reserve Subaccount contained in the Debt Service Reserve Account of the Sinking Fund payments sufficient to maintain the Reserve Subaccount in an amount equal to the Debt Service Reserve Requirement for Additional Bonds so secured by a Reserve Subaccount. **The Series 2024 Bonds will not be secured by the Debt Service Reserve Account.** Each Reserve Subaccount shall only secure the Bonds for which it was established. Each Reserve Subaccount shall be funded and replenished pro rata.

After there have been paid from the Revenue Fund the sums required or permitted to be paid pursuant to the preceding paragraphs, the City will pay from the Revenue Fund such payments as may be required to pay junior lien obligations, including loans made by the Georgia Environmental Finance Authority or the State Revolving Fund. Next there is paid from the Revenue Fund into the Renewal and Extension Fund, moneys from the Revenue Fund until the balance in the Renewal and Extension Fund is \$150,000 or such higher amount as the City, in its sole discretion shall determine. There may next be transferred from the Revenue Fund into the City’s General Fund all the moneys remaining in the Revenue Fund (except for a reasonable working capital reserve in an amount determined by the City in its sole discretion). The moneys transferred from the Revenue Fund into the City’s General Fund may be used by the City for any lawful purpose. Nothing shall be construed herein as requiring the City to transfer money from the Revenue Fund into the General Fund.

See Appendix A for more information on the funds and accounts created in the Resolution.

Additional Bonds

The City has reserved the right to issue Additional Bonds. If such Additional Bonds are issued, they will be secured by a first lien on and pledge of the Net Revenues of the System on a parity with the lien thereon securing the Series 2024 Bonds and any outstanding Series 2014 Bonds. See Appendix A for a description of the terms and conditions under which Additional Bonds may be issued.

Subordinate Debt

The City has also reserved the right to issue Junior Lien Obligations (“Subordinate Debt”). If such Subordinate Debt is issued, it will be secured by a subordinate lien on and pledge of the Net Revenues of the System. See Appendix A for a description of the terms and conditions under which Subordinate Debt may be issued.

Reserve Account

The City is not establishing a Reserve Subaccount in the Debt Service Reserve Account in connection with the issuance of the Series 2024 Bonds. Therefore, the Series 2024 Bonds will not be secured by a Reserve Subaccount. The City may establish a Reserve Subaccount as security for Additional Bonds. If created, such Reserve Subaccount will not secure the Series 2024 Bonds. See Appendix A for more information regarding the Debt Service Reserve Account and any subaccounts that may be created therein.

Rate Covenant

Pursuant to the Resolution, the City has covenanted that it will set its schedule of rates, fees and charges for the services and facilities of the System so as to produce a Debt Service Coverage Ratio of at least 1.10x in the current Fiscal Year. See Appendix A – Rate Covenant for more information regarding the rate covenant.

Remedies and Enforceability of Remedies

Generally. The Revenue Bond Law and the Resolution provide for certain remedies for the owners of the Bonds upon an event of default. See Appendix A – Events of Defaults; Remedies for a description of the remedies available to owners of the Bonds under the terms of the Resolution.

The Revenue Bond Law provides that the duties of the City and the members and officers of the City under the Revenue Bond Law and the Resolution are enforceable by any owner of the Bonds by mandamus or other appropriate action or proceeding at law or in equity. The Revenue Bond Law also provides that in the event the City defaults in the payment of the principal or interest on any of the Bonds after the same becomes due, whether at maturity or upon call for redemption, and such default continues for a period of 30 days, or in the event the City or the members, officers, agents, or employees of the City fail or refuse to comply with the essential provisions of the Revenue Bond Law or default in any material respect in any agreement made with the holders of the Bonds, any holders of the Bonds shall have the right to apply in an appropriate judicial proceeding to the Superior Court of Hall County or to any court of competent jurisdiction for the appointment of a receiver of the System, whether or not all Bonds have been declared due and payable and whether or not such holder is seeking or has sought to enforce any other right or to exercise any remedy in connection with the Bonds. Upon such application, the Superior Court, if it deems such action necessary for the protection of the bondholders, may appoint and, if the application is made by the holders of 25 percent in principal amount of the Bonds then outstanding, shall appoint a receiver of the System.

The receiver so appointed under the Revenue Bond Law has the power to hold, use, operate, manage and control the System, including collecting all revenues for deposit into a separate account. To the extent that funds of the City are commingled, general creditors of the City may have a lien on cash in commingled accounts. The receiver does not have the power to sell, assign, mortgage or otherwise dispose of the System.

Enforceability of Remedies. The realization of value from the pledge of the Net Revenues will depend upon the exercise of various remedies specified by State law (including the Revenue Bond Law) and the Resolution. These remedies may require judicial actions, which are often subject to discretion and delay and which may be difficult to pursue. The enforceability of rights or remedies with respect to the Series 2024 Bonds may be limited by State and federal laws, rulings and decisions affecting remedies and by bankruptcy, insolvency or other laws affecting creditors’ rights or remedies heretofore or hereafter enacted. The various legal opinions to be delivered concurrently with the delivery of the Series 2024 Bonds will be qualified as to the enforceability of rights or remedies with respect to the Series 2024 Bond by bankruptcy, insolvency, laws affecting creditors’ rights generally and the application of equitable principles.

Section 36-80-5 of the Official Code of Georgia Annotated provides that no county, municipality, authority, division, instrumentality, political subdivision, or public body corporate created under the Constitution or the laws of the State shall be authorized to file a petition for relief from payment of its debts as they mature or a petition for consolidation of its debts under any federal statute providing for such relief or consolidation or otherwise to take advantage of any federal statute providing for the adjustment of debts of political subdivisions and public agencies and instrumentalities. Section 36-80-5 of the Official Code of Georgia Annotated also provides that no chief executive, mayor, board of commissioners, city council, board of trustees, or other governmental officer, governing body, or organization shall be empowered to cause or authorize the filing by or on behalf of any county, municipality, authority, division, instrumentality, political subdivision, or public body corporate created under the Constitution or laws of the State of any petition for federal relief from payment of its debts as they mature or a petition for consolidation of its debts under any federal statute providing for such relief or consolidation or otherwise to take advantage of any federal statute providing for the adjustment of debts of political subdivisions and public agencies and instrumentalities.

THE SYSTEM

General

The City owns and operates the largest public water supply, wastewater treatment, and distribution system within Hall County, Georgia (the “County”). The System has approximately 1,478 miles of water lines and water production capacity of 35 million gallons per day (“MGD”). The System has wastewater treatment capacity of 17 MGD. At June 30, 2024, the System provided water service to approximately 61,422 customer accounts, including 48,530 customer accounts outside the City limits. At June 30, 2024, the System provided sewer service to 14,228 sewer accounts including approximately 3,535 customer accounts outside the City limits. Each water and/or sewer account is considered one customer, and almost all sewer customers are water customers, with an average of 2.6 people in each account household.

Several other public systems also provide limited service in the County. In January 2006, the City of Gainesville and Hall County entered into a 25 year lease agreement providing for the transfer of ownership of the Hall County water distribution system to the City. See “THE SYSTEM – Water System – Lease of Hall County Water System” for additional information concerning the Hall County contract.

Management

The day-to-day affairs of the System are managed by the Director of Water Resources. Linda MacGregor has served as the Director of Water Resources since February 2016. Ms. MacGregor has an Environmental and Water Resources Engineering degree from Vanderbilt University. She is a licensed Professional Engineer in Georgia. Prior to joining the City, Ms. MacGregor was the Georgia Environmental Protection Division Watershed Protection Branch Chief and the Georgia Environmental Finance Authority Water Resources Director. She started her career as a consulting engineer doing planning, designing, and construction management for local utilities throughout Georgia and beyond.

The financial affairs of the System are managed by the Chief Financial Officer of the City. Jeremy Perry has served as Chief Financial Officer since 2016. Perry obtained a Bachelor of Arts degree in Accounting at the University of North Georgia. His work experience includes over 26 years of public sector service. Perry has served as a government auditor, the Financial Services Manager at Hall County, and the Director of Finance for the City of Flowery Branch. He has many years of service with nonprofit organizations including board experience.

Employees, Employee Relations and Labor Organizations

As of June 30, 2024, the City employed 226 permanent full-time equivalent persons in the operation of the System. No employees of the City are represented by labor organizations or are covered by collective bargaining agreements, and the City is not aware of any union-organizing efforts at the present time. The City believes that employee relations are good. The System employees receive the same benefits as other City employees.

The System's management staff, plant operators and maintenance and repair personnel are required to be certified by the State of Georgia. The System has a continuing education program to ensure that its personnel are qualified and able to meet the State of Georgia's certification requirements.

Systemwide Initiatives

Asset Management. The City has implemented Asset Management throughout the System. This initiative started in 2019, provides pertinent information about assets, lifetime costs, and criticality through NexGen, an asset management software system. In the normal course of business, engineers, operators, and maintenance team members enter information into the asset management system. Additionally, the City has added dedicated asset management specialists who maintain the software and collect necessary information on asset condition and value. Asset management efforts are allowing the City to move to a risk-based maintenance approach.

Safety Program. Recognizing that safety is a good business approach and a retention practice for team members, the City has an ongoing and active safety program. The Safety Committee is comprised of representatives from each division and meets monthly. Every System employee is on a safety team, divided into high-hazard and low-hazard teams. The System safety programs include orientation, regular training programs, reporting of unsafe conditions using a QR code and smart phone, safety inspections, and incentives for safety recognition.

Automated Systems and Cyber Security. The City operates and maintains 2 water treatment plants, 2 wastewater treatment plants, 77 sewage lift stations, 3 water pumping stations and 7 water storage tanks. The lift stations, pump stations and water storage tanks are unmanned and require remote monitoring for proper operation. The treatment plants are manned 24/7 but require close monitoring of plant equipment and processes to produce safe drinking water and protect the environment. The System has a new state-of-the-art software system, Ignition, which allows staff to monitor and control equipment in real-time both on-site and remotely. The system has alarms that alert staff of problems so they can be addressed in a timely manner. In an effort to protect the security of its systems, the City is implementing new cyber-security protocols, software and hardware. Working with City IT staff and external experts, the City has developed a network security design and procured the necessary hardware and software to fully implement the cyber security system.

Water System

General. The water supply system of the City began in the late nineteenth century as a tax supported system providing limited water service to residents within the City limits and became self-supporting in the 1940s. As the population adjacent to the City increased, extensions were made to serve users outside the City limits when service lines were available.

Lease of Hall County Water System. Pursuant to an intergovernmental lease and management agreement, dated January 17, 2006 (the "Hall County Lease"), between the City and the County, the County leased its water distribution system to the City in order to unify the County's and the City's water systems. The leased assets include all facilities of the County's water system including all water mains, fire hydrants, water meters, all existing customers of the County water system, the Cedar Creek reservoir, pump station and system interconnections. Pursuant to the Hall County Lease, the City provides financial, operational, management and capital improvement responsibilities required to operate the water system, including the assumption of certain County liabilities in the amount of \$3,398,088 at January 17, 2006. All facilities constructed and customers added to the County water system are facilities and customers of the City. The Hall County Lease term is 25 years, and on each January 17th, the County will automatically transfer 1/25th of its water system to the City. On January 17, 2031, the City shall have full ownership of the County's water system. The Hall County Lease may be terminated upon the occurrence of all of the following: (a) mutual agreement between the County and the City, (b) written approval of Georgia Environmental Protection Division ("EPD"), (c) payment by the County to the City for all costs associated with the capital improvements made to the County's water system after January 17, 2006 and (d) payment by the County to the City for the portion of the System assets acquired by the City under the Hall County Lease.

Water Supply. The source of supply of raw water for the System, as well as the City of Buford, City of Cumming, Forsyth County, and Gwinnett County, is Lake Lanier, a 38,000-acre impoundment of the Chattahoochee River which is owned and operated by the U.S. Army Corps of Engineers (the "Corps"). Parties that withdraw water

for municipal and industrial purposes from reservoirs managed by the Corps generally are required under federal law to enter into water storage contracts with the Corps, but such contracts were previously delayed for several decades due to litigation by the States of Alabama and Florida challenging the Corps' authority to operate Lake Lanier for water supply.

The Corps' authority was affirmed in 2011 by the United States Court of Appeals for the Eleventh Circuit, and the Corps adopted an updated water control plan on March 30, 2017 (the "2017 Master Manual"), confirming the Corps can meet the System's and other withdrawers' long-term water needs, as well as levels of withdrawal that the State of Georgia has projected out to the year 2050 for the local governments currently served by Lake Lanier. The Corps and the State of Georgia executed a water storage contract on January 20, 2021 (the "State Water Storage Contract"), after which the State of Georgia issued draft subcontracts with the regional water withdrawers, including the City. All subcontracts between the State of Georgia and the regional water withdrawers have been finalized. The City executed its sub-contract on September 26, 2022 (the "City Subcontract"). The City Subcontract is estimated to provide a gross annual withdrawal exceeding 11 MGD on an annual basis in addition to the 18 MGD authorized pursuant to the Gainesville Relocation Contract (hereinafter defined). These two contracts total at least 29 MGD on an annual basis. This is consistent with the City's pending water withdrawal permit revision from EPD, which is expected to be issued shortly.

The State of Alabama and three environmental groups challenged the 2017 Master Manual including the 2021 storage contract with Georgia that it authorized. These claims were dismissed by the United States District Court for the Northern District of Georgia in 2021. Alabama and the environmental groups have appealed these rulings and their appeals are pending before the U.S. Court of Appeals for the Eleventh Circuit. Alabama's appeal has been stayed while the Corps evaluates a settlement agreement that, if approved and implemented by the Corps, will result in the dismissal of Alabama's claims. Because the environmental groups did not join the agreement with Alabama, their appeal has not been stayed, and a final decision is anticipated in 2025. Unlike prior litigation, the environmental groups have not challenged the Corps' statutory authority to allow water supply uses at Lake Lanier. It is unclear whether or how a decision by the Eleventh Circuit in favor of the environmental groups might affect the State Water Storage Contract and subcontracts described above.

Before Lake Lanier was impounded, the City withdrew water from an intake facility in the Chattahoochee River. That facility was inundated by the impoundment, and thus had to be relocated to its present location near Lake Lanier. The City executed a contract with the Corps in June 1953 (the "Gainesville Relocation Contract") to "make the City whole" in connection with these events. The Gainesville Relocation Contract allows the City to withdraw up to 8 MGD from Lake Lanier. This contract was interpreted to authorize withdrawals on a "net withdrawal" basis, meaning the withdrawals from Lake Lanier, after netting out water the City returns to Lake Lanier through treated wastewater discharges, cannot exceed 8 MGD. In January 2003 a supplement to the Gainesville Relocation Contract was executed. The supplement to the Gainesville Relocation Contract provides that the contract will be construed to authorize "gross withdrawals" in the amount of 18 MGD on an average annual basis, without providing any additional credit for return flows. The State Water Storage Contract explicitly provides that the State Gainesville Relocation Contract shall not be merged into the State Water Storage Contract.

In addition to the litigation described above, the State of Florida ("Florida") initiated litigation in 2013 against the State of Georgia in the U.S. Supreme Court, seeking an equitable apportionment of the waters of the Apalachicola-Chattahoochee-Flint River Basin, including a cap on the State of Georgia's use of water from the Flint River. On April 1, 2021 the U.S. Supreme Court unanimously dismissed Florida's lawsuit seeking equitable apportionment of Apalachicola-Chattahoochee-Flint River Basin, which includes Lake Lanier.

At present, it is not possible to predict future litigation, or the effect that possible congressional action or interstate agreements might have on the City's source of water supply.

Water Treatment Facilities. The City presently operates two water treatment facilities, the Riverside Drive Water Treatment Plant ("Riverside") and the Lakeside Water Treatment Plant ("Lakeside"). Riverside was originally constructed in the 1950's, and its most recent upgrades were designed to improve the efficiency and reliability of the facility, and create redundancy in critical operational areas. The City's newest plant, Lakeside, went online in 2002.

At Riverside, raw water is withdrawn from Lake Lanier through two water intake facilities. Pumping capacity on the original intake is provided by two vertical turbine pumps with rated capacities of 18 MGD and 15 MGD. A second intake was added in 2000. This newer intake contains its own raw water pumps, with rated capacities of 25 MGD and 8 MGD. Raw water is pumped to the filter plant from the original intake through two pipelines with diameters of 16 and 24 inches. A 36-inch transmission main carries water to Riverside from the new intake.

Riverside has a rated capacity for treatment of water of 25 MGD. The plant currently produces an average daily flow of approximately 12.60 MGD, and its maximum day (pumped to system) demand in fiscal year 2024 was 20.07 MGD. There are five finished water pumps in the plant, with capacities ranging from 4 MGD to 15 MGD, with combined finished water pumping rated capacity of 46 MGD. The excess pumping capacity provides ample reserve capacity in case of a pump failure and permits the System to supply varying demand levels more efficiently.

In 2001, Riverside was upgraded, including the construction of an additional 5 MG finished water storage tank and high service pumping station, significant electrical equipment upgrades, an additional solids dewatering press, construction of office and training facilities, an upgraded filter system, and an updated chemical addition system. In addition, Riverside houses a second SCADA telemetry unit to monitor the System's 77 sewer lift stations and 3 water booster pump stations and alert operators to equipment failures. These improvements cost approximately \$18.2 million and were funded by bond proceeds and System revenues.

At Lakeside, raw water is withdrawn from the lake through a raw water pumping station installed on the bank of Lake Lanier. Raw water pumping capacity is provided by 3 vertical turbine pumps with rated capacities of 10 MGD, 10 MGD and 5 MGD. Raw water is pumped approximately 1.5 miles to the plant through two 42-inch diameter pipes.

Lakeside has a treatment capacity of 10 MGD. Plans are to expand this facility over time to an ultimate capacity of 100 MGD to meet future system demands. The plant is currently producing an average daily flow of approximately 8.79 MGD, and its maximum day pumped to system demand in fiscal year 2024 was 12.4. The flow through the filters never exceeded the 10 MGD permit limit. There are five pumps in the plant, with capacities ranging from 5 to 16 MGD, with a total combined finished water pumping rated capacity of 37 MGD. As with Riverside, the excess pumping capacity provides ample reserve capacity in case of a pump failure and permits the System to supply varying demand levels more efficiently.

Lakeside improvements completed in fiscal year 2007 provide for more efficient handling of the sludge generated during the water treatment process. A clarifier was added to settle the solids from all plant processes, which greatly improved sludge handling practices. Also, additional bulk chemical storage capacity was added at the plant to reduce chemical expenses by being able to obtain bulk pricing.

Water Distribution System. The water distribution network consists of approximately 1,478 miles of predominantly ductile iron pipelines ranging in size from 6-inch to 48-inch diameters. The distribution system is considered to be in generally good condition. Approximately 4.5% of the pipelines have been installed in the last five years (67 miles). It is estimated more than 11.4% of the lines in the system have been installed in the last 15 years (168 miles). The average useful life of the pipelines is estimated at 100 years.

The water system has a total finished water storage capacity of 30.75 MG. After water has been treated at Riverside, it is stored in three clear wells with an on-site storage capacity of 12 MG. Similarly, after treatment at Lakeside, water is stored in two clear wells with a total capacity of 10 MG. There is one ground level storage tank with a capacity of 5 MG, and there are presently six other "elevated" water storage tanks strategically located throughout the distribution system which have a total storage capacity of 3.75 MG. Hydraulic models are developed on a periodic basis to ensure as the system grows that appropriate tanks are built to maintain system pressure and fire prevention capabilities. Since the integration of the City's water system with the Hall County water system, an existing 0.1 MG elevated tank was replaced with a 0.75 MG elevated tank and the booster station was upgraded to serve the area.

As part of the City's distribution system improvement plans, portions of the existing system currently served by older and smaller diameter lines have been identified for replacement. The City has an ongoing program

to identify and replace old and small diameter lines on an annual basis. In fiscal year 2024, approximately 63,360 of water main replacement and extensions were constructed, with 135 fire hydrants added to the system.

System Interconnections. Prior to the Lakeside plant coming on line in October 2002, the City constructed a metered interconnection/booster pump station and entered into an agreement with Gwinnett County, an adjoining county, to purchase water to help supply the growing demand it was experiencing in the South Hall County area. The initial contract was extended through 2025. As Lakeside enables the System to meet current South Hall County demands, the contract provides for only a minimal amount of water to flow through the station on a periodic, planned basis to maintain, test, calibrate or otherwise exercise the meter, interconnection valves, backflow prevention devices, booster pumps, and other appurtenances. The interconnection is not to be used except during emergencies. Both parties intend normal maintenance usage to be less than 100,000 gallons per year. All flow, including normal maintenance usage, leakage, and emergency usage, is billable. The rate charged may be the retail rate, or it may equal but shall not exceed the highest block volumetric rate charged to any other entity, but in no case shall it exceed the highest volumetric rate charged to any other entity. There is no minimum demand monthly charge. Charges will only be applied based upon actual usage as indicated by meter reading change. The City also has interconnection agreements with Jackson County (renewed in November 2013 for a term of fifteen years), and White County (approved in November 2014 with a term of 15 years) for emergency usage situations.

Cedar Creek Reservoir. The County constructed the Cedar Creek Reservoir as an additional water supply. The Cedar Creek Reservoir was transferred to the City pursuant to the Hall County Lease. The Hall County Lease was effective immediately for the purposes of operations and maintenance. EPD has issued a water withdrawal permit for the reservoir at 2.5 MGD daily maximum and 2 MGD monthly average. EPD has also issued a withdrawal permit for a 20 MGD withdrawal from the North Oconee River to fill the Cedar Creek Reservoir. This water supply is available for the City's use if needed.

Water Loss Audits. The System conducts an annual Water Loss Audit in accordance with EPD requirements using the American Water Works Association M36 methodology. Since 2011, the System has shown steady improvement in the Validity Score and Real Water Loss. The Audit indicates that even more improvement may be possible by attention to 1) Volume from own Sources, 2) Unauthorized Consumption, and 3) Customer Metering Inaccuracies. The System has ongoing initiatives in each of these areas to both improve these numbers as well as the quality of data used to generate the numbers.

Automated Meter Infrastructure. The System has over 60,000 customer meters, which through a 10-year investment, are 100% smart meters on a smart utility network. Meters are read remotely via a radio link uploaded into a cloud-based database. This database is monitored by staff for continuous water use, zero water use, and other factors. This data is also available to customers through a portal that allows customers to see hourly water use and set alarms. The City uses this data to alert customers through automatic calling to possible leaks. The data is transferred from the smart meter network to the billing software.

Sewer System

General. Subsequent to the initial development of the water system, sanitary sewers were constructed beginning in the late nineteenth century in those areas of the City where topography permitted gravity flow to a point of discharge along the Chattahoochee River or a flowing stream. The operating cost of this sewer system was tax supported as a City service until approximately 1945, and no charge was made for connection to or use of the System. With the impoundment of the Chattahoochee River to form Lake Lanier, sewage treatment became mandatory.

The wastewater collection system consists of approximately 345 miles of sanitary sewer lines, ranging in size from 6 inches to 48 inches. The system ranges in age from new to 130 years old, with an average useful life of approximately 70-100 years. The system also contains over 12,758 manholes and 77 lift stations pumping wastewater to the plants. Most of the sewer lines are constructed out of clay pipe, along with ductile iron, PVC and steel.

An emphasis has been placed on the detection of inflow and infiltration ("I&I"). I&I results when cracks or openings in lines allow for the inflow of stormwater, springs, or other sources of underground water to enter the

collection system. Unremediated I&I becomes part of the capacity being treated at a wastewater treatment plant. As part of the System's I&I program, approximately 350,000 gallons per day ("GPD") of water was located in fiscal year 2024. Approximately 12.4 miles of sanitary sewer lines were TV-monitored during fiscal year 2024.

Water Reclamation Facilities. Flat Creek Water Reclamation Facility ("WRF"), an advanced secondary wastewater treatment plant, serves the majority of the City's industrial area, has a present design capacity of 12 MGD, and is permitted to discharge 12 MGD. The original plant was built in 1958 with a design capacity of 1.5 MGD. In 1974, chlorination and sludge-thickening equipment were added. In 1982, additional facilities were added to the plant to improve the primary treatment processes and sludge handling capabilities of the plant. In 1995, a major upgrade of the plant was completed, which allowed the facility to meet EPD effluent limits for ammonia-nitrogen and total residual chlorine. This upgrade included the installation of large concrete tanks and deep foundations, electrical upgrades, replacement of outdated equipment, expansion of backup electrical power, as well as preparation work for the next upgrade. Since 1999, the Flat Creek WRF has been upgraded to include an electrical system upgrade, a solids dewatering upgrade and expansion, installation of an additional dissolved air flotation unit, construction of a 7 MG equalization basin, and a modification of the disinfection process (to convert from a chlorine-based process to ultraviolet light disinfection). In fiscal year 2005, improvements were made at the plant to increase production capacity to 12 MGD and to add a new tertiary treatment process. The process includes a rapid mix chemical basin followed by a chemical reactor/clarifier for sedimentation of chemically flocculated secondary effluent suspended solids. This process is then followed by a continuously backwashed sand filtration system which is necessary to meet new EPD treatment requirements for additional phosphorous and suspended solids removal in the discharged effluent.

The plant provides grit removal and screening prior to pumping the raw wastewater to primary dissolved air flotation facilities, which serve as primary treatment. Following primary treatment, the waste is held in two 7 MG equalization basins prior to treatment in an activated sludge process, followed by solids separation by secondary clarifiers. The above-mentioned tertiary treatment process further removes phosphorus and solids. Disinfection via ultraviolet light treatment, and post aeration completes the process prior to discharge into Flat Creek upstream of Lake Lanier.

The plant is designed to pump primary and secondary sludge to a sludge blending tank. The sludge is then dewatered on-site in rotary filter presses. The resulting sludge cake is transported by a private company to an independent vendor's off-site bio-solids reclamation facility.

The Flat Creek WRF operates under a National Pollution Discharge Elimination System ("NPDES") permit issued by EPD (Permit No. GA0021156). This permit sets forth allowable flows and effluent pollutant concentrations discharge. Specifically, the permit sets limits for conventional pollutants as well as ammonia-nitrogen, phosphorus and turbidity. Effluent limitations under the current NPDES permit allow a monthly average daily discharge of 12 MGD. During fiscal year 2024, the monthly average discharge from the Flat Creek WRF was 9.2 MGD. Due to mechanical failure of equipment, the City received an Expedited Enforcement Compliance Order from EPD in February 2024 for effluent limit violations at this facility. The System implemented emergency measures to bring the Flat Creek WRF back into compliance before the equipment was repaired and returned to service. The System also conducted additional monitoring of the creek and lake downstream of the discharge and never found stressed aquatic life.

Linwood WRF is an advanced treatment facility constructed in 2007 to replace a trickling filter wastewater reclamation plant. The new 5 MGD advanced treatment facility was constructed due to changes in the EPD-mandated treatment standards for phosphorus loadings to Lake Lanier. Construction of the plant was financed partially from proceeds of notes payable through the Georgia Environmental Finance Authority (GEFA) to the State Revolving Loan Fund, which were repaid with proceeds of the Series 2014 Bonds. Flow is received through three interceptors: the Black Creek Interceptor, a 24-inch sewer, the North Interceptor, with a 15-inch and an 18-inch sewer and Slaughter House Creek Interceptor, a 12-inch sewer. The plant is an advanced treatment facility utilizing state of the art membrane filtration technology operating under an EPD approved NPDES permit (No. GA0020168). The effluent is then disinfected via ultraviolet light treatment, and post aeration completes the process prior to discharge to Lake Lanier through a submerged outfall. In 2020, the City constructed a new outfall into Lake Lanier with a diffuser design minimizing impacts to Lake Lanier. The resulting sludge is dewatered as described above, but with a belt press, and transported off site to a bio-solids reclamation facility by a private

company. The plant has a design treatment capacity of 5.0 MGD. The current NPDES permit allows a maximum monthly average flow of 5 MGD. Average annual daily flow for fiscal year 2024 was approximately 2.8 MGD. Due to high strength wastewater received from a local industry that experienced wastewater pre-treatment exceedances, the City received an Expedited Enforcement Compliance Order from EPD in February 2024 for effluent limit violations for one month.

Sewer System Service Area Expansion. The City has continued to construct sewer lines and pump stations around the perimeter of the City to provide future sewer capacity as annexations occur. The City provides sewer service inside the City limits without limitation and outside the City limits only if the homeowner agrees to be annexed into the City if their property becomes contiguous to the City, unless otherwise approved by the Governing Body.

Sewer System Contracts. Pursuant to contracts entered into between the City of Gainesville and Hall County over the past decade, the County has acquired 1 MGD of the City's wastewater treatment capacity for a total of \$14.7 million, paid from a one-cent Special Purpose Local-Option Sales Tax (SPLOST). In a contract initially entered into in 2013 between the City and the County, this amount was credited toward the infrastructure cost (debt service component) of providing sewer service to the Gateway Industrial Park, located on Georgia Highway 365, just north of Gainesville. The latest agreement stipulates the City will charge the County only the transportation and treatment costs of the wastewater received from this area which, currently, is a calculated cost of \$6.78 per 1000 gallons. This agreement is currently being updated to allow the 1 MGD to come into the System at multiple locations, revise the rate calculation, and other provisions.

Environmental Services

The four services managed by Environmental Services, a department of the City, are the Water Quality Laboratory, the Industrial Pretreatment Program, the Water Conservation Program, and the Environmental Monitoring Program. The Environmental Services Laboratory is responsible for both quality control and quality assurance. The Lab's efforts support the successful operation of the System, assuring a high quality of drinking water and providing for the protection and improvement of the community's water resources. All tests (to ensure compliance) are conducted in accordance with the United States Environmental Protection Agency and the EPD guidelines. Industrial pretreatment enforcement is in compliance with Federal Clean Water Act mandates.

Environmental Services staff also routinely conducts site inspections of creeks, streams, and areas around Lake Lanier to aid in the enforcement of water quality standards. Environmental Services personnel are also actively involved in watershed protection and public education through participation in the Metropolitan North Georgia Water Planning District, Georgia Association of Water Professionals, and the Georgia Adopt-A-Stream program. City staff has adopted segments of Flat Creek, conducting clean-ups to improve water quality and emphasize good stewardship of resources. The water conservation staff routinely conducts educational workshops through coordinated efforts with local schools and civic organizations.

The System's Service Area

The System generally supplies water to residential, multi-family, commercial and industrial customers located within the County. The System presently supplies water to a geographic area of approximately 393 square miles containing an estimated population in excess of 221,913. At June 30, 2024, the System had a customer base of approximately 61,422 active water accounts.

Approximately 21% of the 61,422 water customer accounts are located inside the corporate limits of the City. The remaining customer accounts are outside the corporate limits of the City in the cities of Clermont, Flowery Branch, Braselton, and Oakwood, as well as the unincorporated areas of Hall County between each city. Approximately 90% of the total customers are residential/multi-family customers, with the remaining 10% comprising either industrial or commercial customers. Customers of the water system have been projected by the financial consultant for the City to increase by 1.2% annually over the next five years based on recent growth patterns.

Based on metered consumption figures for the 12-month period from July 2023 to June 2024, the average monthly residential/multi-family water usage for customers inside the City limits was 6,817 gallons. For the same time period, the average monthly residential/multi-family water usage for customers outside the City limits was 4,644 gallons.

Approximately 75% of the 14,228 active sewer customer accounts are located inside the corporate limits of the City. The remaining customer accounts are outside the corporate limits of the City, and are located in the city of Oakwood and in unincorporated Hall County. Sewer services are provided to a geographic area of approximately 70 square miles containing an estimated population in excess of 50,000. Customers of the sewer system have been projected by the financial consultant for the City to increase by 1.2% annually over the next five years.

Georgia Service Delivery Strategy Act

In 1997 the Georgia General Assembly passed House Bill 489, also known as “The Georgia Service Delivery Strategy Act” (“GSDSA”). The legislation required each county government and the municipalities within each county to develop a joint strategy for delivery of services within the particular county, including delivery of water and sewer services.

Each strategy included (i) an identification of all services presently provided in the county by cities, counties and authorities; (ii) an assignment of which local government will be responsible for providing which service in what area of the county; (iii) a description of how all services will be funded; and (iv) an identification of intergovernmental contracts, ordinances, and resolutions to be used in implementing the strategy, including existing contracts. The City performed water rate differential studies in 1991, 1994 and 1997. The City and County conducted a joint rate differential study in 1998, and the final report was issued May 1, 1999. Updates to the 1999 study were issued in 2005, 2014 and 2019. The City has consistently implemented a rate differential for inside-City and outside-City water rates which is less than the calculated rate differential from the past two studies. The current water rate differential is 1.9 times. The City currently does not have a rate differential in place for inside-City and outside-City sewer rates.

The County, along with the City and the other municipalities, entered into an agreement under GSDSA reconfiguring the sewer district service areas within Hall County. Braselton, Clermont and Gillsville were acknowledged as service providers within the County. Several additional partnership areas were designated either between adjacent municipalities or between the County and municipalities. The development and implementation of the strategy for the County has not had a significant effect on the operations and revenues of the System.

Water and Sewer Customers

Water Demand. Set forth below is information concerning the demand for water service from the System for the past five fiscal years.

	Historical Water System Demands				
	Fiscal Years Ended June 30,				
	2020	2021	2022	2023	2024
Average Daily Demand (MGD)	19.27	19.40	19.70	20.50	21.44
Maximum Daily Demand (MGD)	24.83	24.82	26.91	27.72	29.05

Source: System Records.

Set forth below are the average daily flows at the City's water reclamation facilities for the past five fiscal years.

	Average Daily Demand (MGD)				
	Fiscal Years Ended June 30,				
	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Linwood WRF	2.8	2.9	2.7	2.6	2.8
Flat Creek WRF	<u>8.4</u>	<u>8.5</u>	<u>8.5</u>	<u>9.1</u>	<u>9.2</u>
Total	<u>11.2</u>	<u>11.4</u>	<u>11.2</u>	<u>11.7</u>	<u>12.0</u>

Set forth below is the number of active connections to the water system as of the dates shown.

	Water System Active Customer Accounts				
	Fiscal Years Ended June 30				
	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Residential	50,525	51,789	53,512	54,648	55,517
Commercial	4,480	4,610	4,754	4,816	4,935
Industrial	<u>268</u>	<u>266</u>	<u>263</u>	<u>265</u>	<u>269</u>
Fire Line	<u>586</u>	<u>605</u>	<u>636</u>	<u>656</u>	<u>701</u>
Total Accounts	<u>55,859</u>	<u>57,270</u>	<u>59,165</u>	<u>60,385</u>	<u>61,422</u>

Source: System Records – Reporting Active Customer Accounts only for the fiscal year ended June 30.

Set forth below is the number of active connections to the sewer system as of the dates shown.

	Sewer System Active Customer Accounts				
	Fiscal Years Ended June 30				
	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Residential	9,883	10,298	10,966	11,336	11,790
Commercial	2,184	2,197	2,232	2,276	2,310
Industrial	<u>129</u>	<u>128</u>	<u>128</u>	<u>129</u>	<u>128</u>
Total Accounts	<u>12,196</u>	<u>12,623</u>	<u>13,326</u>	<u>13,741</u>	<u>14,228</u>

Source: System Records - Reporting Active Customer Accounts only for the fiscal year ended June 30.

Largest System Customers. Listed below are the 10 largest users of the System for the fiscal year ended June 30, 2024.

<u>Customer</u>	<u>Business/ Product</u>	<u>Average Monthly Usage⁽¹⁾</u>	<u>Total Water Billings</u>	<u>Total Sewer Billings</u>	<u>Total Billings</u>	<u>Percentage of Operating Revenues⁽²⁾</u>
Fieldale Farms	Poultry	40,997,527	\$2,921,590.63	\$6,639,214.49	\$9,560,805.12	10.3%
Pilgrim's Pride	Poultry	41,431,194	1,777,957.88	5,016,804.28	6,794,762.16	7.3
MarJac Poultry, Inc.	Poultry	42,470,330	1,804,699.08	4,915,972.19	6,720,671.27	7.3
Gold Creek LLC	Poultry	13,100,192	810,175.36	1,599,302.02	2,409,477.38	2.6
NE Georgia Health Systems	Health Care	10,887,856	620,513.38	978,318.95	1,598,832.33	1.7
John Soules Acquisitions LLC Pro View Foods	Manufacturer- Poultry Products	6,713,851	285,284.54	833,320.20	1,118,604.74	1.2
Cargill, Inc	Manufacturer- Soybean Products	9,568,115	411,147.56	385,534.83	796,682.39	0.9
Hall County Commissioners	Local Govt. Manufacturer -	2,258,534	125,422.83	669,977.88	795,400.71	0.9
Shasta Beverages Inc	Beverages	6,934,969	294,627.84	319,801.01	614,428.85	0.7
Hall County Board of Ed	School System	<u>3,389,139</u>	<u>282,509.89</u>	<u>273,182.94</u>	<u>555,692.83</u>	<u>0.6</u>
Total		<u>177,751,707</u>	<u>\$8,756,791.26</u>	<u>\$21,038,444.84</u>	<u>\$29,795,236.10</u>	<u>33.5%</u>

(1) Amounts shown are the applicable number of units of gallons of water.

(2) Total estimated operating revenues of the System for the fiscal year ended June 30, 2024 were \$92,427,168.36.

Source: System Records.

Rates, Fees and Charges

Water Rates and Connection Fees. In October 2020, the Governing Body approved a set of rates and charges to be implemented annually through 2031. This rate ordinance provides for an increase of 1.9% per year for the account servicing fee, the unit rate for water, and the unit rate for sewer.

Monthly charges for water and sewer services generally consist of an account service fee (currently \$6.53 for all accounts), and a volume charge. In addition, connection fees varying by water meter size are charged to new customers connecting to the water and sewer system.

A deposit, based on meter size is required from all customers in advance. Deposits may be waived when the customer receives a satisfactory consumer credit report, or they have demonstrated good payment history with the System. Deposit refunds are mailed after the final bill is processed for closed accounts.

The water and sewer rates for all customers within each class of service within the City are uniform and outside the City are uniform. Other than water service provided to fire hydrants, the City does not provide any free water or sewer service. Set forth below are the current rates and water connection fees.

Water Rate Schedule

User Type	Consumption	Monthly charge (Rates per 1,000 gallons)	
		Inside City	Outside City
Residential	0-2000 gallons	\$2.82	\$5.36
	2,001-5,000 gallons	\$3.58	\$6.80
	5,001-8,000 gallons	\$4.48	\$8.51
	Over 8000 gallons	\$7.16	\$13.60
Commercial & Multifamily (billing is based on % of average)	≤125%	\$3.58	\$6.80
	>125% - 180%	\$4.48	\$8.51
	> 180%	\$7.16	\$13.60
Irrigation		\$7.16	\$13.60
General Industry		\$3.58	\$6.80

Water Tap & Meter Fees. The water tap and meter fees are as follows:

<u>Item</u>	<u>Tap & Meter</u>
¾-inch	\$1,073
1-inch	1,600
2-inch	3,600
3-inch to 8-inch	Charged at actual cost

Water System Connection Fees. The charges for water system connection and administrative fees, which are in addition to tap and meter fees, are as follows:

<u>Meter Size</u>	<u>Current Fees⁽¹⁾</u>	
	<u>Connection Fees</u>	<u>Administrative Fees</u>
¾-inch	\$ 1,726	\$ 51
1-inch	4,765	143
2-inch	15,248	457
3-inch	30,496	915
4-inch	47,650	1,430
6-inch	95,300	2,859
8-inch	152,480	4,574

⁽¹⁾ System Records.

Sewer Rates and Connection Fees. Currently, residential sewer charges are based on 95% of monthly water meter readings and no wastewater will be billed for residential accounts above 8,000 gallons. Commercial, Industrial and Multi-Unit sewer charges are based on 100% of monthly water meter readings. Charges are per 1,000 gallons. All classes of sewer users that purchase water service from the City are billed for sewer at the following monthly rates:

<u>Current Rates</u>	
Inside City	\$10.45
Outside City	10.45
Oakwood District	10.66

In addition, a surcharge is placed on all commercial and industrial users of each milligram of pollutant loading exceeding 250 milligrams per liter (mg/l) BOD (biochemical oxygen demand), 250 mg/l suspended solids (TSS), 100 mg/l oil and grease (FOG), 40 mg/l Kjeldahl Nitrogen (TKN), and 10 mg/l phosphorus. These charges are as follows:

<u>Pollutant</u>	<u>Concentration (mg/l)</u>	<u>Surcharge (dollars per mg/l per 100 cubic feet)</u>
BOD	250-500	\$.0025
	501-700	.0067
	701-900	.0076
	Over 900	.0115
TSS	250-500	.0019
	501-700	.0047
	701-900	.0052
	Over 900	.0096
FOG	100-125	.0067
	126-150	.0160
	151-175	.0187
	Over 175	.0374
Phosphorus	7-11	.0294
	12-15	.0655
	16-20	.0775
	Over 20	.1497
TKN	40-75	.0066
	76-100	.0174
	101-135	.0214
	Over 135	.0428

Sewer Tapping Fees. For a 6-inch service line serving a single dwelling or commercial unit, the sewer tapping fee is \$900.00. Sanitary sewer service lines larger than 6 inches are charged an additional fee at actual cost per inch.

Sewer Connection Fees. For all new users of the sewer system (inside or outside the City corporate limits), the sewer connection fees, which are in addition to the tapping fees, are set forth below.

<u>Size of Water Tap (Meter) (Inches)</u>	<u>Sewer Connection Fee</u>	<u>Administrative Fee</u>
¾"	\$ 3,570	\$ 107
1"	9,683	290
2"	30,984	930
3"	61,968	1,859
4"	96,825	2,905
6"	193,650	5,810
8"	309,840	9,295

Miscellaneous Fees

Fire Hydrant Meter Rental Fees. A deposit and an application fee, based on meter size, is charged for rental of fire hydrant meters, in addition to charges for the water consumed which will be calculated monthly using the Tier 3 fee, currently \$7.16 per month for inside-City customers and \$13.60 per month for outside-City customers. A late read fee is charged for any meter not returned for reading by the scheduled deadline. The deposit is refunded upon return of the undamaged meter. If a meter is damaged, the repair cost will be deducted from the deposit. Deposits are not refunded for lost meters.

<u>Meter Size</u>	<u>Deposit</u>	<u>Application Fee (Current)</u>	<u>Late Read Fee</u>
¾-inch	\$ 375	\$ 45	\$150
3-inch	2,450	45	150

Fire Hydrant Flow Testing Fee. A fee of \$110 is charged for work performed for purposes of testing fire hydrants for adequate flow and pressure to meet fire flow requirements.

Rate Comparison

The following table reflects the monthly water and sewer bills, assuming a monthly volume of 7,000 gallons, for the average residential customer residing in service areas in northern Georgia comparable in size to the City’s service area, as well as two counties contiguous to metropolitan Atlanta which have experienced significant growth similar to the growth in the City and the County.

	<u>Athens–Clarke Co.</u>	<u>Cherokee Co.</u>	<u>Gwinnett Co.</u>	<u>Rockdale Co.</u>	<u>Gainesville</u>	
					<u>Inside City</u>	<u>Outside City</u>
Water	\$66.09	\$39.30	\$46.21	\$49.44	\$31.87	\$54.67
Sewer	<u>60.69</u>	<u>48.35</u>	<u>70.64</u>	<u>73.08</u>	<u>69.49</u>	<u>69.49</u>
Total	\$126.78	\$87.65	\$116.85	\$122.52	\$101.36	\$124.16

Source: Environmental Finance Center at the University of North Carolina, Chapel Hill and System Records.

Rate Setting Process

Under Georgia law, the City has the exclusive authority to establish rates and charges for water and sewer services supplied by the System. The rates charged by the City for water and sewer services supplied by the System are not subject to review or approval by any federal or state regulatory body. However, see “THE SYSTEM – Georgia Service Delivery Strategy Act” herein. The Governing Body establishes the rates, which are subject to change at any time as the Governing Body deems advisable. The Governing Body adopts rate schedules by ordinance after recommendations from the staff of the System. As discussed above, in October 2020, the Governing Body approved a set of rates and charges to be implemented annually through 2031. This rate ordinance provides for an increase of 1.9% per year for the account servicing fee, the unit rate for water, and the unit rate for sewer. The staff of the System conduct periodic reviews of the rate structure to determine if modifications are needed. See “SECURITY FOR AND SOURCES OF PAYMENT OF THE SERIES 2024 BONDS – Rate Covenant” for a description of the City’s agreements concerning the rates, fees and charges for the services, facilities and commodities to be furnished by the System. No statutory or charter procedures are required as a condition precedent to a change in rates.

Billing

Bills are due and payable 20 days from the billing date. A penalty of 10% is added to any balance not paid by the due date. Water service will be disconnected when one month’s bill is 10 days past due or when partial

payments are made on accounts over 30 days past due. A \$40.00 fee is required each time the account becomes delinquent to the extent the system initiates a cutoff of the account. This fee is owed if payment is not received by 5 PM on the Monday prior to the scheduled disconnect.

Governmental Approvals and Environmental Regulation

Water Withdrawal. The Georgia Water Quality Control Act authorizes the EPD to regulate the withdrawal of water from lakes and streams in Georgia. The City currently holds a permit for withdrawal of raw water in the following amounts from Lake Lanier.

<u>Raw Water Source</u>	<u>Permitted Withdrawal (MGD)</u>		<u>Fiscal 2024 Actual Withdrawal (MGD)</u>	
	<u>Monthly Average</u>	<u>One Day Maximum</u>	<u>Annual Average</u>	<u>One Day Maximum</u>
Lake Lanier	30	35	22.27	31.10

Water Treatment. EPD also regulates public systems in Georgia in accordance with the Safe Drinking Water Act and the Georgia Safe Drinking Water Act. EPD has issued to the City operating permits for the treatment of water in the following amounts at the following water treatment facilities.

<u>Water Treatment Source</u>	<u>Permitted Treatment Capacity (MGD)</u>		<u>Fiscal 2024 Actual Treatment Flow (MGD)</u>	
	<u>Monthly Average</u>	<u>One Day Maximum</u>	<u>Annual Average</u>	<u>One Day Maximum</u>
Riverside	25	25	12.46	20.49
Lakeside	10	10	8.85	10.00

Wastewater Treatment. The City's wastewater operations are subject to the regulatory requirements imposed by the federal Water Pollution Control Act, as amended (the "Clean Water Act") and the Georgia Water Quality Control Act. The federal Environmental Protection Agency ("EPA") and the EPD administer the regulatory requirements. EPD has issued to the City operating permits for the treatment of wastewater in the following amounts at the following wastewater treatment plants.

<u>Water Reclamation Facility</u>	<u>Permitted Treatment Capacity (MGD)</u>		<u>Fiscal 2024 Actual Treatment Flow (MGD)</u>	
	<u>30 Day Average</u>	<u>7 Day Maximum</u>	<u>30 Day Average</u>	<u>Monthly Maximum</u>
Flat Creek WRF	12.00	15.00	9.20	10.30
Linwood WRF	5.00	6.25	2.80	3.10

Insurance

The City maintains all insurance relating to the City's assets, including System assets. Property and general liability claims are insured through a private insurance carrier and are subject to various deductibles that are paid from City funds. The City self-insures for healthcare and workers' compensation. The City uses the services of a broker and a third-party administrator to determine the self-insurance funding requirements using data from the City's claims history. See footnote 15 of the City's financial statements in Appendix B hereto for more information about its self-insurance program.

Under Georgia law, the defense of sovereign immunity is available to the City, except for actions for the breach of written contracts, inverse condemnation, and actions for the recovery of damage for any claim for which liability insurance protection has been provided, but only to the extent of the liability insurance provided. The City,

however, may be unable to rely upon the defense of sovereign immunity and may be subject to liability in the event of suits alleging causes of action founded upon various federal laws, such as suits filed pursuant to 42 U.S.C. § 1983 alleging the deprivation of federal constitutional or statutory rights of an individual and suits alleging anti-competitive practices and violations of the federal antitrust laws by the City in the exercise of its delegated powers.

SYSTEM FINANCIAL INFORMATION

Accounting System and Policies

The financial statements of the City have been prepared in conformity with generally accepted accounting principles as applied to governments. See note 2 of the audited financial statements of the City attached as Appendix B for a detailed discussion of the City's significant accounting policies.

Historical Statements of Net Position

Set forth below is a historical, comparative summary of the assets, liabilities and net position of the System for the last five fiscal years. The information in the following table for the years 2019 through 2023 has been extracted from audited financial statements of the City. Although taken from the audited financial statements, no representation is made that the information is comparable from year to year, or that the information as shown fairly presents the financial position of the System as of the end of the fiscal years shown. For more complete information, reference is made to the audited financial statements of the City, copies of which are available from the City upon request.

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	Fiscal Years Ended June 30,				
	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
ASSETS					
Current assets					
Cash and cash equivalents	\$ 38,379,761	\$ 19,142,300	\$ 28,159,357	\$ 13,135,013	\$ 16,375,961
Investments	—	20,659,437	18,626,410	28,429,371	26,346,855
Restricted assets:					
Cash and cash equivalents	77,559,209	45,212,572	57,038,249	37,857,141	48,111,506
Investments	—	32,877,518	28,012,275	58,141,280	58,880,888
Receivables (net):					
Accounts	5,167,628	4,442,085	4,444,559	3,907,352	5,709,379
Intergovernmental	216,266	—	1,746,698	3,003,486	12,537,862
Other	20,684	21,075	13	8,127	8,574
Due from other funds	10,017,622	10,017,622	10,017,622	—	—
Inventories	1,663,480	1,860,347	1,790,335	2,189,401	2,655,549
Prepaid items	—	5,703	945	130,612	82,492
Total current assets	<u>133,024,650</u>	<u>134,238,659</u>	<u>149,836,463</u>	<u>146,801,783</u>	<u>170,709,066</u>
Non-current assets					
Property held for development	—	—	—	2,971,111	2,480,264
Capital assets:					
Non-depreciable:	71,150,853	69,459,367	78,378,344	97,096,241	148,786,010
Depreciable/amortizable (net)	<u>399,036,144</u>	<u>412,940,271</u>	<u>410,536,735</u>	<u>410,600,600</u>	<u>399,795,440</u>
Total non-current assets	<u>470,186,997</u>	<u>482,399,638</u>	<u>488,915,079</u>	<u>510,667,952</u>	<u>551,061,714</u>
Total assets	<u>603,211,647</u>	<u>616,638,297</u>	<u>638,751,542</u>	<u>657,469,735</u>	<u>721,770,780</u>
DEFERRED OUTFLOWS OF RESOURCES					
Deferred charges on refunding	237,639	93,885	22,574	—	—
Deferred outflows related to pensions	2,921,361	2,695,233	1,923,845	3,750,003	5,781,634
Deferred outflows related to other post-employment benefits	<u>658,912</u>	<u>1,071,912</u>	<u>2,284,999</u>	<u>2,190,257</u>	<u>1,953,494</u>
Total deferred outflow of resources	<u>3,817,912</u>	<u>3,861,030</u>	<u>4,231,418</u>	<u>5,940,260</u>	<u>7,735,128</u>
LIABILITIES					
Current liabilities					
Payables:					
Accounts	1,596,364	976,966	1,700,668	1,284,738	3,150,717
Intergovernmental	827,429	923,685	1,249,610	1,381,120	1,557,251
Interest	—	—	—	—	1,500
Unearned revenue	—	—	5,540,210	—	—
Accrued salaries	395,785	457,862	540,776	563,680	223,160
Compensated absences	656,721	855,114	717,314	684,289	770,879
Lease/subscription payable	—	—	—	—	222,666
Contracts payable	1,261,588	1,261,588	1,261,588	1,261,588	1,261,588
Liabilities payable from restricted assets:					
Payables:					
Accounts	2,475,704	2,256,537	2,720,767	2,687,477	5,290,449
Retainages	779,916	1,186,299	1,133,450	2,175,424	4,272,239
Customer deposits	2,320,129	2,262,826	2,241,146	2,307,513	2,427,173
Interest	360,262	332,299	279,957	226,500	187,125
Revenue bonds payable	<u>12,615,000</u>	<u>15,663,739</u>	<u>16,013,739</u>	<u>7,348,739</u>	<u>6,688,739</u>
Total current liabilities	<u>23,288,898</u>	<u>26,176,915</u>	<u>33,399,225</u>	<u>19,921,068</u>	<u>26,053,486</u>
Non-current liabilities					
Compensated absences,	72,969	95,013	79,702	76,032	85,653
Net pension liability	19,093,839	18,974,239	9,958,868	20,271,021	24,071,650
Net OPEB liability	9,498,305	9,757,735	11,271,010	11,607,021	8,013,491
Lease/subscription payable	13,877,468	12,615,880	11,354,292	—	380,986
Contracts payable	—	—	—	10,092,704	8,831,116
Notes payable	—	—	1,766,224	7,734,375	36,911,937
Revenue bonds payable	<u>75,695,630</u>	<u>58,983,151</u>	<u>42,969,411</u>	<u>35,620,672</u>	<u>28,931,933</u>
Total non-current liabilities	<u>118,238,211</u>	<u>100,426,018</u>	<u>77,399,507</u>	<u>85,401,825</u>	<u>107,226,766</u>
Total liabilities	<u>141,527,109</u>	<u>126,602,933</u>	<u>110,798,732</u>	<u>105,322,893</u>	<u>133,280,252</u>
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows related to pensions	2,116,025	2,107,432	8,471,767	1,135,226	441,203
Deferred inflows related to other post-employment benefits	<u>3,469,005</u>	<u>2,794,303</u>	<u>2,119,601</u>	<u>1,453,559</u>	<u>3,905,241</u>
Total deferred outflow of resources	<u>5,585,030</u>	<u>4,901,735</u>	<u>10,591,368</u>	<u>2,588,785</u>	<u>4,346,444</u>
NET POSITION					
Net investment in capital assets	364,408,087	390,877,551	412,776,416	440,786,848	468,260,016
Restricted for:					
Capital outlay	67,584,347	66,560,802	72,686,804	89,701,165	100,890,953
Debt service	7,294,471	8,561,194	8,784,383	3,752,256	3,487,142
Unrestricted	<u>20,630,515</u>	<u>22,995,112</u>	<u>27,345,257</u>	<u>21,258,048</u>	<u>19,241,101</u>
Total net position	<u>\$459,917,420</u>	<u>\$488,994,659</u>	<u>\$521,592,860</u>	<u>\$555,498,317</u>	<u>\$591,879,212</u>

Historical Statements of Revenues, Expenses and Changes in Net Position

Set forth below is a historical, comparative summary of the revenues, expenses and changes in net position of the System for the last six fiscal years. The information in the following table for the fiscal years ended June 30, 2019 through June 30, 2023 has been extracted from the audited financial statements of the City. Although information was taken from the financial statements, no representation is made that the information is comparable from year to year, or that the information as shown presents fairly the financial results of the System for the fiscal years shown. The information in the following table for the fiscal year ended June 30, 2024, has been compiled by the City's Finance Department and is presented in accordance with generally accepted accounting principles as applied to governments. For more complete information, reference is made to the City's complete audited financial statements, copies of which are available from the City upon request.

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	Fiscal Years Ended June 30,					(Unaudited)
	2019	2020	2021	2022	2023	2024 ⁽¹⁾
OPERATING REVENUES						
Charges for sales and services ⁽²⁾	\$ 74,135,037	\$ 73,915,527	\$ 76,119,056	\$ 77,799,111	\$ 80,946,872	\$85,752,901
Other	64,161	120,604	144,005	450,461	76,332	103,020
Total operating revenues	<u>74,199,198</u>	<u>74,036,131</u>	<u>76,263,061</u>	<u>78,249,572</u>	<u>81,023,204</u>	<u>85,855,920</u>
OPERATING EXPENSES						
Costs of sales and services	22,379,999	22,997,951	24,465,086	22,073,899	26,098,751	30,890,835
Personal services	13,934,033	13,546,093	11,730,999	15,549,945	17,502,804	18,962,209
Depreciation	15,334,337	15,794,316	16,517,130	16,771,646	17,259,807	15,968,320
Total operating expenses	<u>51,648,369</u>	<u>52,338,360</u>	<u>52,713,215</u>	<u>54,395,490</u>	<u>60,861,362</u>	<u>65,821,364</u>
Total income (loss)	<u>22,550,829</u>	<u>21,697,771</u>	<u>23,549,846</u>	<u>23,854,082</u>	<u>20,161,842</u>	<u>20,034,557</u>
Non-operating revenues (expenses)						
Investment revenue	3,529,834	3,410,956	1,910,906	(1,658,124)	2,934,255	8,387,345
Interest expense	(3,332,805)	(2,901,603)	(2,484,150)	(2,009,550)	(1,641,889)	(1,389,601)
Debt issue costs	—	—	(605,000)	—	—	—
Distribution of capital assets to the Governmental Activities	—	—	(19,617)	—	—	—
Gain (loss) on sale of property held for development	—	—	—	5,052,506	10,206,589	3,270,971
Gain (loss) on sale of capital assets	<u>(78,521)</u>	<u>4,681</u>	<u>(41,649)</u>	<u>17,170</u>	<u>3,110</u>	<u>144,923</u>
Total non-operating revenues (expenses)	<u>118,508</u>	<u>514,034</u>	<u>(1,239,510)</u>	<u>1,402,002</u>	<u>11,502,065</u>	<u>10,413,638</u>
Income (loss) before capital contributions and transfers	<u>22,669,337</u>	<u>22,211,805</u>	<u>22,310,336</u>	<u>25,256,084</u>	<u>31,663,907</u>	<u>30,448,195</u>
Capital contributions:						
Connection fees	4,363,061	3,740,514	6,243,545	6,904,881	5,132,734	5,932,425
Capital contributions	<u>4,125,321</u>	<u>6,425,403</u>	<u>6,804,208</u>	<u>11,707,493</u>	<u>6,194,043</u>	<u>14,348,708</u>
Total capital contributions	<u>8,488,382</u>	<u>10,165,917</u>	<u>13,047,753</u>	<u>18,612,374</u>	<u>11,326,777</u>	<u>20,281,133</u>
Income (loss) before transfers	<u>31,157,719</u>	<u>32,377,722</u>	<u>35,358,089</u>	<u>43,868,458</u>	<u>42,990,684</u>	<u>50,729,328</u>
Transfers in (out)						
Transfers in	—	—	780,702	3,431,418	214,959	—
Transfers out	<u>(3,982,082)</u>	<u>(3,300,483)</u>	<u>(3,540,590)</u>	<u>(13,394,419)</u>	<u>(6,877,900)</u>	<u>(1,494,676)</u>
Total transfers in (out)	<u>(3,982,082)</u>	<u>(3,300,483)</u>	<u>(2,759,888)</u>	<u>(9,963,001)</u>	<u>(6,662,941)</u>	<u>(1,494,676)</u>
Change in net position	27,175,637	29,077,239	32,598,201	33,905,457	36,327,743	49,234,652
Net position, July 1, restated	<u>432,741,783</u>	<u>459,917,420</u>	<u>488,994,659</u>	<u>521,592,860</u>	<u>555,551,469</u>	<u>591,879,212</u>
Net position, June 30	<u>\$459,917,420</u>	<u>\$488,994,659</u>	<u>\$521,592,860</u>	<u>\$555,498,317</u>	<u>\$591,879,212</u>	<u>\$641,113,864</u>

⁽¹⁾ Unaudited.

⁽²⁾ Includes water sales, sewer charges, and tap fees.

Operating Budget

Annual budgets are prepared by the City for the General Fund, Special Revenue Funds, Debt Service Fund and Proprietary Funds (Enterprise Funds and Internal Service Funds). The System is accounted for as an Enterprise Fund. These budgets lapse at the end of the fiscal year. Budgets are also prepared for Capital Projects but do not lapse until project completion.

The budget process begins each year with a budget priority setting workshop in which members of the Governing Body indicate various issues of importance to be considered in the budget. Once the priorities are established, the Budget and Purchasing Manager prepares estimates of both the current and proposed fiscal-year revenue for all funds. Expenditure requests for the proposed fiscal year are initially prepared by the responsible department director. The budget requests are analyzed by the Budget and Purchasing Manager and reviewed with the department head by the City Manager and Chief Financial Officer. The Budget and Purchasing Manager assists the City Manager in shaping a budget package which is submitted to the Governing Body. A workshop is also held by the City to solicit budget input from the public. The Governing Body makes any necessary adjustments to the budget, which is then adopted by the Governing Body on or before June 30 during a regular Council meeting.

The budget is adopted on a cash basis. The accounting system uses formal budgetary integration as a management control device. Encumbrances are recorded to prevent expenditures from exceeding the budgeted amounts. The City's accounting records for governmental type funds are maintained on a modified accrual basis. This method records revenues when available and measurable and records expenditures when the services or goods are received and the liabilities are incurred. Accounting records for enterprise type funds are maintained on the accrual basis, with revenues recorded when earned and measurable and expenses recorded when the services or goods are received and the liabilities are incurred.

Budget adjustments during the year may be required due to situations which were unforeseen prior to the adoption of the budget. Department directors may request budget adjustments through the Administrative Services Department, provided the budget adjustment does not increase the overall budget for that department or effect personal services or capital outlays categories. Any additional budget adjustments related to personnel, capital outlay, or overall dollar increases must be approved by the Governing Body. The City has implemented a quarterly adjustment system. Any projects approved during the quarter, any additions, and any unforeseen changes will be incorporated in the quarterly budget adjustments. This procedure allows the City better documentation of the adjustments.

Set forth below is the System's operating budget for fiscal year 2025, which was approved on July 2, 2024. This budget is based upon certain assumptions and estimates of the staff regarding future events, transactions, and circumstances. There can be no assurance that actual events will correspond with such assumptions, that uncontrollable factors will not affect such assumptions, or that the projected results will be achieved. Accordingly, the actual results achieved could materially vary from those projected in the budget set forth below.

Fiscal Year 2025 Operating Budget

REVENUES AND OTHER SOURCES

Water Revenue	\$ 36,000,000
Water Connection Administration Fees	73,455
Water Tapping Fees	1,131,354
Account Service Fees	4,546,381
Other Service Fees	1,442,535
Late Payment Penalty	689,622
Sewer Revenue	35,420,911
Surcharge	1,200,000
Sewer Tapping Fees	41,040
Sewer Connection Administration Fees	37,814
Interest on Investments	400,000
Transfers In	2,075,598
Miscellaneous	87,117
Budgeted Net Position	<u>17,134,730</u>
Total operating revenues and other sources	<u>\$100,280,557</u>

EXPENDITURES AND OTHER USES

Sanitary Sewer	\$ 4,829,131
Flat Creek Water Reclamation Facility	11,309,873
Linwood Water Reclamation Facility	4,754,776
Lakeside Water Treatment	3,594,758
Riverside Water Treatment	6,902,232
Water Distribution	7,470,133
Maintenance	6,414,427
Engineering and Construction	5,123,215
Customer Account Services	4,666,618
Environmental Services	2,710,363
Finance and Administration	4,151,356
Debt Service	9,489,243
Transfers Out	<u>28,864,432</u>
Total expenditures and other uses	<u>\$100,280,577</u>

Management Discussion and Analysis

Operating revenues for the System during fiscal years 2019 through 2023 ranged from a low of \$74 million in fiscal year 2020 to a high of \$85 million in fiscal year 2024 (unaudited), with the largest increase in operating revenues of approximately 5.9% occurring between fiscal year 2023 and 2024. Increasing revenues are due to meter sales and an increasing number of active accounts. The number of active accounts is increasing as construction of new housing is completed and new customers begin using water.

Increases in non-operating revenues are due to land sales and contributed capital. These non-operating revenues represent one-time or variable revenue and are not representative of revenues generated by the operation of the System.

Operating expenses for the System increased from \$51.6 million in fiscal year 2019 to \$65.8 million in fiscal year 2024 (unaudited), an increase of 17.8%. The largest increase in operating expenses of approximately 11.8% occurred between fiscal year 2022 and fiscal year 2023. Increasing operating expenses reflect the rising costs

of electric power, chemicals, and solids handling. Pipe and other materials have also increased in price. The City has responded to these increases by optimizing operations, especially related to electric power. Lighting has been replaced with more efficient fixtures and installed variable frequency drives have been installed on large equipment for energy efficiency.

Debt service coverage of debt secured by revenue of the System (which excludes the GEFA/SRF Loans) has ranged from a low of 2.83x in fiscal year 2021 to a high of 7.19x in fiscal year 2024 (unaudited).

Debt Service Requirements

The following table sets forth the City's annual debt service requirements for the Series 2014 Bonds and assumes the issuance of the Series 2024 Bonds* during each fiscal year.

City of Gainesville, Georgia Consolidated Debt Service Requirements for Water and Sewer Bonds

Fiscal Year Ending June 30	Series 2014 Bonds			Series 2024 Bonds*			Total Debt Service
	Principal	Interest	Total	Principal	Interest	Total	
2025	\$ 5,800,000	\$1,070,000	\$ 6,870,000	—	\$	\$	\$
2026	—	—	—	\$ 5,515,000			
2027	—	—	—	5,200,000			
2028	—	—	—	3,855,000			
2029	—	—	—	3,710,000			
2030	—	—	—	1,960,000			
2031	—	—	—	2,060,000			
2032	—	—	—	2,160,000			
2033	—	—	—	2,270,000			
2034	—	—	—	2,380,000			
2035	—	—	—	2,500,000			
2036	—	—	—	2,625,000			
2037	—	—	—	2,755,000			
2038	—	—	—	2,895,000			
2039	—	—	—	3,040,000			
2040	—	—	—	3,190,000			
2041	—	—	—	3,350,000			
2042	—	—	—	3,520,000			
2043	—	—	—	3,695,000			
2044	—	—	—	3,880,000			
2045	—	—	—	4,075,000			
2046	—	—	—	4,235,000			
2047	—	—	—	4,405,000			
Total	<u>\$5,800,000</u>	<u>\$1,070,000</u>	<u>\$6,870,000</u>	<u>\$73,275,000</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>

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Historical Debt Service Coverage Ratios with and without Connection Fees

Set forth below are the historical debt service coverage ratios for the past five fiscal years.

	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024⁽⁴⁾</u>
Operating Income (Including Connection Fees) ^{(1) (2)}	\$25,438,285	\$29,793,391	\$30,758,963	\$25,294,576	\$25,966,982
Plus: Depreciation	15,794,316	16,517,130	16,771,646	17,259,807	15,968,320
Plus: Interest Income	<u>3,410,956</u>	<u>1,910,906</u>	<u>(1,658,124)</u>	<u>2,934,255</u>	<u>8,387,345</u>
Net Revenues Available for Debt Service	<u>\$44,643,557</u>	<u>\$48,221,427</u>	<u>\$45,872,485</u>	<u>\$45,488,638</u>	<u>\$50,322,647</u>
Debt Service on Revenue Bonds ⁽³⁾	\$15,385,244	\$17,064,024	\$16,990,828	\$7,954,500	\$6,996,000
Debt Service Coverage on Bonds	2.90x	2.83x	2.70x	5.72x	7.19x
Net Revenues w/o Connection Fees ⁽¹⁾	\$40,903,043	\$41,977,882	\$38,967,604	\$40,355,904	\$44,390,222
Debt Service on Revenue Bonds ⁽³⁾	\$15,385,244	\$17,064,024	\$16,990,828	\$7,954,500	\$6,996,000
Debt Service Coverage on Bonds	2.66x	2.46x	2.29x	5.07x	6.35x

⁽¹⁾ See the table included under the heading SYSTEM FINANCIAL INFORMATION - Historical Statements of Revenues, Expenses and Changes in Net Position for the Connection Fee revenue in each fiscal year.

⁽²⁾ Operating income (loss) of the System (before payment of bond debt service and GEFA loan debt service), plus interest income plus connection fees and plus depreciation.

⁽³⁾ Excludes debt service on notes payable to GEFA and, through GEFA, to the State Revolving Loan Fund, since the notes are not secured by revenues of the System.

⁽⁴⁾ Unaudited.

Historical Pro-Forma Debt Service Coverage Ratios with and without Connection Fees

Set forth below are the historical pro-forma maximum annual debt service coverage ratios for the past five fiscal years.

	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024⁽⁴⁾</u>
Net Revenues Available for Debt Service (Including Connection Fees) ⁽¹⁾⁽²⁾	\$44,643,557	\$48,221,427	\$45,872,485	\$45,488,638	\$50,322,647
Maximum Annual Debt Service on Series 2014 Bonds and Series 2024 Bonds*	\$8,913,725	\$8,913,725	\$8,913,725	\$8,913,725	8,913,725
Debt Service Coverage on Maximum Series 2014 Bonds and Series 2024 Bonds*	5.01x	5.41x	5.15x	5.10x	5.65x
Maximum Annual Debt Service on Series 2014 Bonds, Series 2024 Bonds*, and GEFA Loans ⁽³⁾	\$11,991,125	\$11,991,125	\$11,991,125	\$11,991,125	\$11,991,125
Debt Service Coverage on Maximum Series 2014 Bonds, Series 2024 Bonds*, and GEFA Loans ⁽³⁾	3.72x	4.02x	3.83x	3.79x	4.20x
Net Revenues w/o Connection Fees ⁽¹⁾	\$40,903,043	\$41,977,882	\$38,967,604	\$40,355,904	\$44,390,222
Debt Service Coverage on Maximum Annual Debt Service on Series 2014 Bonds and Series 2024 Bonds* without Connection Fees	4.59x	4.71x	4.37x	4.53x	4.98x
Debt Service Coverage on Maximum Series 2014 Bonds, Series 2024 Bonds*, and GEFA Loans ⁽³⁾ without Connection Fees	3.35x	3.43x	3.19x	3.30x	3.70x

⁽¹⁾ See the table included under the heading SYSTEM FINANCIAL INFORMATION - Historical Statements of Revenues, Expenses and Changes in Net Position for the revenues allocable Connection Fees in each fiscal year.

⁽²⁾ Operating income (loss) of the System (before payment of bond debt service and GEFA loan debt service), plus interest income plus connection fees and plus depreciation.

⁽³⁾ While debt service on notes payable to GEFA and, through GEFA, to the State Revolving Loan Fund, are not secured by revenues of the System, they are shown here as they are expected to be repaid with System Revenues.

⁽⁴⁾ Unaudited.

Capital Improvements Program and Additional Debt

The following table summarizes the estimated costs of capital improvements made to the System in each year for the past five fiscal years and the funding sources for such capital improvements.

<u>Fiscal Year</u>	<u>Total Cost of Capital Improvements</u>	<u>Funding Sources</u>	
		<u>System Revenues and Connection Fees</u>	<u>Debt Proceeds and Investment Earnings</u>
2020	\$ 27,687,770	\$ 27,687,770	\$ 0
2021	20,862,911	19,695,314	1,167,597
2022	29,993,180	24,025,030	5,968,150
2023	55,002,712	25,800,143	29,202,569
2024	<u>52,952,257</u>	<u>32,154,826⁽¹⁾</u>	<u>20,797,431⁽¹⁾</u>
Total	<u>\$186,498,830</u>	<u>\$97,208,257</u>	<u>\$36,338,316</u>

⁽¹⁾ 2024 Funding Sources are estimated and unaudited.

The City does not anticipate issuing any additional debt in the next three years in order to fund capital improvements to the System.

THE CITY

General

The City is a municipal corporation of the State of Georgia. The City is located in the northeast portion of the State of Georgia in the County, approximately 52 miles northeast of the City of Atlanta. The City borders Lake Lanier on the northeast side. The City had a 2020 Census population of 42,296 and an estimated population of 47,265 as of July 1, 2023. The City was originally chartered on November 30, 1821. After the end of World War II in 1945, a visionary named Jesse Jewell (1902-75) started what's become the State of Georgia's largest agricultural crop – poultry. The billion-dollar-a-year industry has earned Gainesville the nickname, "Poultry Capital of the World," as its home to numerous poultry farms and plants.

City Government

The City is governed by a mayor and five-member City Council elected by the City's registered voters. Set forth below are the names of the City Council members, their principal occupation and the expiration of their terms of office.

<u>Name</u>	<u>Principal Occupation</u>	<u>Expiration of Term</u>
Sam Couvillon, Mayor	Insurance Industry	December 2025
Danny Dunagan	Small Business Owner	December 2025
Zack Thompson	Landscaping	December 2027
Barbara B. Brooks	Retired	December 2027
Abigail Guzman	Small Business Owner	December 2025
Juli Hayes	Education	December 2027

The City employs a City Manager who is responsible for the day-to-day operations of the City. The current City Manager is Bryan Lackey. He has served as City Manager since 2015. Previously, he spent 20 years in Gwinnett County Government, rising from Division Director of Stormwater Management to Director of Planning and Development in 2009. Lackey graduated from the University of Georgia in 1995 with a Bachelor of Science Degree in Agricultural Engineering. In 2005, he received a Masters' Degree in Public Administration from the University of North Georgia.

The City also employs a Chief Financial Officer to manage the City finances. The current Chief Financial Officer is Jeremy Perry. Perry obtained a Bachelor of Arts degree in Accounting at the University of North Georgia. His work experience includes over 26 years of public sector service. Perry has served as a government auditor, the Financial Services Manager at Hall County, and the Director of Finance for the City of Flowery Branch. He has many years of service with nonprofit organizations including board experience. Since 2016, he has served as the Chief Financial Officer for the City of Gainesville.

Employees, Employee Benefits and Pension Plan

Employees. The City employs 658 full-time employees. The employees of the City are not represented by a union. The City believes that it has a good relationship with its employees. The City has never experienced a strike or disruption of services.

Employee Benefits. All employees are covered by workers' compensation and unemployment insurance. In addition, the City provides employees with annual leave and other leave. The City offers dental and vision insurance plans and disability plans. The City provides healthcare benefits to its full-time and retired employees and their dependents through a self-insured plan administered by Healthgram. Under this arrangement the City is responsible for paying all claims but purchases reinsurance policies through an insurance provider that is responsible for paying claims in excess of agreed-upon specific and aggregate levels. See footnote 15 of the City's financial statements for more information about the health insurance.

The City contributes and participates in two defined benefit pension plans, a single-employer defined benefit plan ("Plan A") and an agent multiple-employer defined benefit plan ("Plan B"), and a deferred compensation plan, all as described in more detail below. The assets of each plan may only be used for the payment of benefits to members of that plan.

Pension Plan A. Plan A provides pension, death and disability benefits to substantially all full-time civil service employees of the City. Other non-civil service employees and employees who are not eligible in any other retirement program of the City are eligible for Plan B. The benefits provided by Plan A are based upon the number of years of service and depend on whether the employee was hired before July 1, 2008 or thereafter. Benefits vest after 10 years of service. The contribution requirements of plan members and the City are established by plan policy and may be amended. Currently, plan members are required to contribute 13.2% of their annual covered salary, and the City is required to contribute a matching contribution of 13.2% of annual covered payroll. As of June 30, 2023, the net pension liability for Plan A was \$68,310,205. See footnote 16 of the City's financial statements in Appendix A hereto for more information about Plan A.

Pension Plan B. Plan B provides pension, death and disability benefits to all full-time employees who are non-civil-service and who are not eligible to participate in any other plan of the City. Plan B is the Georgia Municipal Employees Benefit System Retirement Fund (GMEBS), a state-wide agent multiple-employer plan that serves as a common investment and administrative agent for municipalities of the State. Plan B is administered by the Georgia Municipal Association (GMA). Benefits are based upon the number of years of service. Benefits vest after five years of service for officials and ten years of service for employees.

Plan members do not make contributions to Plan B. The City is required to contribute at an actuarially determined rate, which as of June 30, 2023, was 4.03% of covered payroll. The net pension liability for Plan B was \$1,826,967 as of June 30, 2023. See footnote 16 of the City's financial statements in Appendix A hereto for more information about Plan B. GMEBS issues a publicly available financial report that includes financial statements and required supplementary information for Plan B. That report may be obtained by requesting a copy in writing from Georgia Municipal Employees Benefit System, 201 Pryor Street SW, Atlanta, Georgia 30303.

Deferred Compensation Plan. The City offers a deferred compensation plan (the "Deferred Compensation Plan") to all full-time employees. The Deferred Compensation Plan was created under Internal Revenue Code Sections 457 and 401(a). The Deferred Compensation Plan is administered by Nationwide, an independent third party. Under the terms of the Deferred Compensation Plan, employees may defer all or a portion of their salary. The City does not contribute to the Deferred Compensation Plan.

OPEB Plan. As mentioned above, the City provides health care benefits to its retired employees and their spouses (the “OPEB Plan”). Under the OPEB Plan, the City pays between 25%-50% of the premium for the healthcare plan. City employees who retire with 20 years of service or more are eligible to participate in the OPEB Plan. The City has not elected to advance fund the OPEB Plan; the OPEB Plan is funded on a pay-as-you-go basis. The City’s contribution for the fiscal year ended June 30, 2023 was \$1,731,036. The net OPEB liability was \$24,124,786 as of June 30, 2023. See footnote 18 of the City’s financial statements in Appendix A hereto for more information about the City’s OPEB Plan and benefits.

Demographic Information

The following information is provided to give prospective investors an overview of the general demographic conditions in the City.

Population. The following table presents the population for the City, the County and the State of Georgia for the census years 1990 through 2020 and an estimate for the year 2023 (the most recent information available).

<u>Year</u>	<u>City</u>	<u>County</u>	<u>State</u>
1990	17,885	95,428	6,478,216
2000	25,454	139,277	8,186,453
2010	33,804	179,684	9,687,653
2020	42,296	203,136	10,711,908
2023	47,265	217,267	11,029,227

Source: U.S. Census Bureau, 1990, 2000, 2010 and 2020 U.S. Census, and U.S. Census Bureau Quick Facts for 2023.

Population by Age; Median Age. The estimated median age of the City for the calendar year 2022 (the most recent information available) was 32.1 years. The following table presents the estimated population by age for the City for the calendar year 2022 (the most recent information available).

<u>Under 20 Years</u>	<u>20 to 44 Years</u>	<u>45 to 64 Years</u>	<u>65 Years and Over</u>
29.8%	35.6%	20.0%	14.6%

Source: U.S. Census Bureau, 2022 American Community Survey 5-Year Estimates.

Population by Race. The following table presents estimated population by race for the City for the calendar year 2022 (the most recent information available).

<u>White⁽¹⁾</u>	<u>Black or African American⁽¹⁾</u>	<u>American Indian and Alaska Native⁽¹⁾</u>	<u>Asian⁽¹⁾</u>	<u>Other⁽¹⁾</u>	<u>Two or More Races</u>	<u>Hispanic or Latino⁽²⁾</u>
59.1%	15.5%	0.2%	3.5%	9.0%	12.8%	36.4%

⁽¹⁾ Includes persons reporting only one race.

⁽²⁾ Hispanics may be of any race, so also are included in applicable race categories.

Source: U.S. Census Bureau, 2022 American Community Survey 5-Year Estimates.

Educational Attainment. The following table presents the estimated level of educational attainment of the population 25 years and over for the City for the calendar year 2022 (the most recent information available).

Less than 9 th grade	14.9%
9 th to 12 grade, no diploma	8.4
High school graduate (including equivalency)	27.0
Some college, no degree	18.5
Associate degree	6.2
Bachelor's degree	14.1
Graduate or professional degree	<u>11.1</u>
	<u>100.0%</u>
Percent high school graduate or higher	76.9%
Percent bachelor's degree or higher	25.2

Source: U.S. Census Bureau, 2022 American Community Survey 5-Year Estimates.

Economic Information

The following information is provided to give prospective investors an overview of the general economic condition in the City. These statistics have not been adjusted to reflect economic trends and are not to be relied upon as a representation or guarantee of the City.

Per Capita Income. The following table reflects the per capita income for the City, the State of Georgia and the United States for the calendar years 2018 through 2022 (the most recent information available).

<u>Year</u>	<u>City</u>	<u>State</u>	<u>United States</u>
2018	\$22,826	\$29,523	\$32,621
2019	26,411	31,067	34,103
2020	27,496	32,427	35,384
2021	30,115	34,516	37,638
2022	31,619	37,836	41,261

Source: U.S. Census Bureau, 2018-2022 American Community Survey 5-Year Estimates.

Median Household Income. The following table reflects median household income for the City, the State of Georgia and the United States for the calendar years 2018 through 2022 (the most recent information available).

<u>Year</u>	<u>City</u>	<u>State</u>	<u>United States</u>
2018	\$45,708	\$55,679	\$60,293
2019	51,520	58,700	62,843
2020	53,662	61,224	64,994
2021	57,258	65,030	69,021
2022	64,163	71,355	75,149

Source: U.S. Census Bureau, 2018-2022 American Community Survey 5-Year Estimates.

Household Income Distribution. The following table reflects the estimated income distribution of all households in the City for the calendar year 2022 (the most recent information available).

<u>Income</u>	<u>Percent of Population</u>
Less than \$10,000	6.3%
\$10,000 to \$14,999	5.7
\$15,000 to \$24,999	6.8
\$25,000 to \$34,999	7.9
\$35,000 to \$49,999	13.8
\$50,000 to \$74,999	20.2
\$75,000 to \$99,999	14.0
\$100,000 to \$149,999	12.7
\$150,000 to \$199,999	4.0
\$200,000 or more	8.6
	<u>100.0%</u>

Source: U.S. Census Bureau, 2022 American Community Survey 5-Year Estimates.

Poverty Levels. The following table reflects an estimate of the percentage of all people in the City, the State of Georgia and the United States with incomes lower than the poverty level for the calendar years 2018 through 2022 (the most recent information available).

<u>Year</u>	<u>City</u>	<u>State</u>	<u>United States</u>
2018	22.9%	16.0%	14.1%
2019	21.0	15.1	13.4
2020	20.8	14.3	12.8
2021	19.3	13.9	12.6
2022	16.9	13.5	12.5

Source: U.S. Census Bureau, 2018-2022 American Community Survey 5-Year Estimates.

Median Home Values. The following table reflects the median home value of owner occupied housing for the City, the State of Georgia and the United States for calendar years 2018 through 2022 (the most recent information available).

<u>Year</u>	<u>City</u>	<u>State</u>	<u>United States</u>
2018	\$187,700	\$166,800	\$204,900
2019	219,300	176,000	217,500
2020	230,700	190,200	229,800
2021	246,800	206,700	244,900
2022	296,400	245,900	281,900

Source: U.S. Census Bureau, 2018-2022 American Community Survey 5-Year Estimates.

Building Permits Summary. Set forth below are the number and estimated value of the building permits issued by the County and the City for the last five calendar years.

Hall County

	Number of Residential Permits		Total	Number of	Total
	<u>Single Family</u>	<u>Multi-Family/ Number of Units⁽¹⁾</u>	<u>Estimated Value</u>	<u>Commercial Permits</u>	<u>Estimated Value</u>
2019	557	0	\$133,313,550	94	\$ 86,935,000
2020	621	0	146,316,400	103	173,141,800 ⁽²⁾
2021	968	0	263,580,392	126	96,969,600
2022	795	0	255,207,449	125	169,337,500
2023 ⁽³⁾	850 ⁽³⁾	5/200 ⁽³⁾	300,000,000 ⁽³⁾	150 ⁽³⁾	180,000,000 ⁽³⁾

(1) Multifamily includes duplexes, triplexes and apartment buildings.

(2) Includes Cherokee Bluff Middle School and Agile Cold ATL.

(3) 2023 information is estimated.

Source: Hall County Building and Zoning Department.

City of Gainesville

	Number of Residential Permits		Total	Number of	Total
	<u>Single Family</u>	<u>Multi-Family⁽¹⁾/ Number of Units</u>	<u>Estimated Value</u>	<u>Commercial Permits</u>	<u>Estimated Value</u>
2019	255	11/270	\$ 72,202,283	20	\$119,554,968 ⁽²⁾
2020	134	8/308	61,949,585	20	41,372,919
2021	323	13/410	114,696,050	37	115,216,218 ⁽³⁾
2022	164	15/751	171,262,636	31	496,621,165
2023	233	10/42	51,797,368	47	183,126,539

(1) Multifamily housing includes duplexes, triplexes and apartment buildings.

(2) Includes Fox Factory, Northeast Georgia Health and Geveko Markings Inc.

(3) Includes Gainesville Middle School, Gainesville High School Activity Center, and Courtyard Marriot.

Source: City of Gainesville Community Development Department.

Labor Statistics. Set forth below are labor statistics for the City, the County, the State and the United States for the past five calendar years and for May 2024.

	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024⁽¹⁾</u>
City Labor Force	20,535	20,689	20,992	21,573	22,467	23,351
City Unemployment Rate	3.1%	5.1%	3.0%	2.7%	2.6%	2.9%
County Labor Force	103,130	102,396	104,084	107,053	111,456	115,813
County Unemployment Rate	2.9%	4.7%	2.7%	2.5%	2.4%	2.6%
State Unemployment Rate	3.6	6.5	3.9	3.1	3.2	3.4
United States Unemployment Rate	3.7	8.1	5.3	3.6	3.6	3.7

(1) Reflects labor statistics for the month of May 2024 (City and County are Preliminary).

Source: U.S. Bureau of Labor Statistics.

Banking Deposits. The following table contains the number of banking institutions and the total banking deposits (in thousands of dollars) on deposit in the City at all FDIC-insured institutions located within the City for the last five fiscal years ended June 30.

<u>Year</u>	<u>Institutions</u>	<u>Deposits</u>
2019	13	\$2,945,638
2020	12	4,132,202
2021	11	4,527,129
2022	12	4,615,615
2023	12	4,126,035

Source: Federal Depository Insurance Corporation.

Ten Largest Employers. Set forth below are the largest private employers located in the County as of June 30, 2024, their products/services, and their approximate number of employees. There can be no assurance that any employer listed below will continue to be located in the area or will continue employment at the level stated. No independent investigation has been made of, and no representation can be made as to, the stability or financial condition of the companies listed below.

	<u>Employer</u>	<u>Product/Service</u>	<u>Number of Employees</u>
1.	Northeast Georgia Medical Center	Healthcare	9,239
2.	Gold Creek Foods	Manufacturing – Food	4,000
3.	Kubota Manufacturing of America	Manufacturing – Machinery	3,579
4.	Fieldale Farms Corporation	Manufacturing – Food	2,375
5.	Pilgrim’s Pride	Manufacturing – Food	1,760
6.	Fox Factory	Manufacturing – Transportation Equipment	1,700
7.	Mar-Jac Poultry, Inc.	Manufacturing – Food	1,300
8.	ZF Gainesville, LLC	Manufacturing – Transportation Equipment	1,200
9.	Mars Wrigley	Manufacturing - Food	950
10.	Cottrell, Inc.	Manufacturing – Fabricated Metal Product	1,100

Source: Greater Hall Chamber of Commerce.

The City employs approximately 658 full-time people. The County employs approximately 1,748 full-time people and the School District employs approximately 3,500 full-time people.

Industry Mix. The following table shows the industry mix for the County for the year 2023 (the most current information available). The table is intended to provide information regarding the types of industries employing residents of the County and the compensation paid to those employees. The table does not provide information with respect to all industries and firms. It is based upon and includes only those industries and firms that participate in the State Unemployment Insurance Program.

Industry	Average Number of Establishments	Average Monthly Employment
Goods-Producing	901	29,275
Agriculture, Forestry, Fishing & Hunting	30	227
Mining	2	*
Construction	560	4,769
Manufacturing	309	24,242
Service-Providing	4,165	59,532
Utilities	7	153
Wholesale Trade	321	5,169
Retail Trade	662	9,453
Transportation and Warehousing	183	3,833
Information	62	542
Finance and Insurance	316	2,083
Real Estate and Rental and Leasing	251	765
Professional Scientific & Technical Svc	472	2,617
Management of Companies and Enterprises	23	1,352
Admin., Support, Waste Mgmt, Remediation	354	6,959
Education Services	48	1,180
Health Care and Social Assistance	623	15,107
Arts, Entertainment, and Recreation	78	971
Accommodation and Food Services	404	7,559
Other Services (except Public Admin.)	361	1,789
Unclassified - industry not assigned	716	424
Total - Private Sector	5,782	89,231
Total - Government	123	10,929
Federal Government	25	497
State Government	35	2,584
Local Government	63	7,848
ALL INDUSTRIES	5,903	100,157

*Denotes confidential data relating to individual employers and cannot be released. These data use the North American Industrial Classification System (NAICS) categories. Average weekly wage is derived by dividing gross payroll dollars paid to all employees, both hourly and salaried, by the average number of employees who had earnings; average earnings are then divided by the number of weeks in a reporting period to obtain weekly figures. Figures in other columns may not sum accurately due to rounding. All data represents Annual 2023 statistics.

Source: Georgia Department of Labor. These data represent jobs that are covered by unemployment insurance laws.

Recent Economic Activity. As the regional employment center for Northeast Georgia, Gainesville-Hall County holds the distinction of being rated by Forbes Magazine as a “Best Small Places for Business and Careers” for the last nine years. The 2023 Milken Institute Report named the Gainesville-Hall County Metro Area as the Top Small Metro Area in Georgia and top 10 in the Nation for Best-Performing Small Metros. According to the Greater Hall Chamber of Commerce, Gainesville-Hall County Metropolitan Statistical area is among the top 50 fastest growing metro areas in the United States.

The Gainesville community continues to see impressive growth in both manufacturing and retail sectors. According to the Greater Hall Chamber of Commerce, calendar year 2022-2023 was another year of substantial capital investment, particularly in the manufacturing industry. From that capital investment,, more than 1,700 new jobs are anticipated from the 24 new and expanding firms planned for the Gainesville-Hall area. This comes with \$1.1 billion in new capital investment. Firms expanding their North American businesses include Agilox North America (Austria), ALBAform (Czech), Boost Transport, CJ Foodville Corporation (South Korea), Cleanspace LLC (UK), Corporate Storage, Cottrell, Eskimo Cold Storage, Freedom Trans USA, Harris Products, Jinsung TEC (Korea), King’s Hawaiian, Kubota (Japan), Mars Wrigley, Mar-Jac Poultry, medmix Healthcare US Inc. (Switzerland), Syfan Logistics, XPO Logistics, and Zebra Technologies.

Additionally, the Georgia Ports Authority has engaged local construction and engineering services to develop a new inland port terminal, the Blue Ridge Connector, to provide a door-to-door rail connection for container service between the Port of Savannah and Gainesville-Hall County. Carroll Daniel Construction, Simpson Trucking & Grading, and Rochester & Associates are among the local firms that will engineer and construct the new terminal. It is expected to be completed and open in 2026.

The City continues to earn its nickname of “Poultry Capital of the World” with its robust and growing poultry industry. The poultry industry has drawn other spinoff industries to the area, including those that manufacture poultry processing equipment. The food processing and manufacturing industry continues to be a significant employer, making up about 25% of the Gainesville-Hall County workforce.

Category of Land Use

The following table reflects the categories of land use in the City for calendar year 2023.

<u>Land Type</u>	<u>Percentage by Acreage⁽¹⁾</u>	<u>Percentage by Assessed Value⁽²⁾</u>
Commercial	22.51%	33.96%
Industrial	19.74	24.72
Residential	37.25	39.62
Agricultural	<u>20.50</u>	<u>0.25</u>
	<u>100.00%</u>	<u>98.55%</u>

(1) Based on the number of acres of real property set aside for each purpose.

(2) Based upon the gross assessed value. Excludes utility, motor vehicle, mobile home, timber and heavy equipment.

Source: Georgia Department of Revenue Consolidated Digest Summary, 2023.

Healthcare

The City has become a regional center for medical and health services delivery. Northeast Georgia Medical Center and Health System is a not-for-profit community health system. The health system offers a full range of healthcare services through four hospital campuses in the area. The main hospital campus is located in the City. The Gainesville hospital is the flagship hospital of the system. It has 557 beds and includes a Level II trauma center, 23 operating rooms, emergency services, a 32-bed intensive care unit, a heart center and a women and children’s pavilion with Level III neonatal intensive care unit.

Recreation

Given the City’s location on the shoreline of Lake Lanier and its proximity to the north Georgia mountains, there are a number of recreational opportunities available for its citizens. Lake Lanier is a reservoir created by the Buford Dam on the Chattahoochee River. The lake encompasses 59 square miles of water and 692 miles of shoreline when the lake is at a normal level. The lake is in Hall (60%), Forsyth (30%), Dawson (5%), Gwinnett (4%) and Lumpkin (1%) counties. Lake Lanier is visited by millions of people each year. The lake has marinas, a

waterpark, hosts rowing and canoeing events and has over 90 parks, 23 of which provide swim beaches. There is one lodge on the lake and a number of hotels located near the lake.

The City operates eight major recreational and civic facilities, 21 parks and over 547 acres of park land. The major facilities include Frances Meadows Aquatic Center, Gainesville Civic Center, Midland Greenway, Lanier Point Athletic Complex, Skate Park, Martha Hope Cabin, Fair Street Neighborhood Center, and Linwood Nature Preserve. The parks include (a) five water parks that provide public access to Lake Lanier, including the Lake Lanier Olympic Park, the rowing, canoe and kayak venue for the 1996 Centennial Olympic Games, (b) various neighborhood parks and (c) a skate park.

Chicopee Woods Conservation Area is a 1,440 acre nature preserve with eight miles of hiking trails, 21.3 miles of mountain bike trails and a nature center with meeting facilities and a pavilion. The conservation area is located in the City and is operated by the Chicopee Woods Area Park Commission.

The County also provides a number of parks and leisure services. The County's facilities include 2,128 acres of park space, 26 parks, three community centers, two amphitheaters, three dog parks, an agricultural center, a campground, a disc golf course, green space and wildlife sanctuary, an RV park, boat ramps and fishing piers, a soccer complex, walking trails, a splash pad, playgrounds, historic sites and event sites.

Arts and Cultural Activities

With more than 20 active local arts organizations, the City and Hall County offer an array of theater and music, art exhibits and cultural programs. The Arts Council, Inc. serves as an arts hub for all of northeast Georgia. The Gainesville Symphony Orchestra at Brenau University is a professional 70-piece orchestra and presents four concerts each season. The Voices of North Georgia is a 40-voice community choir of professional musicians that present three concerts each season. The Gainesville Ballet Company stages an annual performance season. The Gainesville Theatre Alliance is a cooperative venture joining the theatre programs of Gainesville College, Brenau University, a professional company and the community. Four productions are staged annually. The Quinlan Visual Arts Center is a comprehensive visual arts and education center offering art classes and workshops. The galleries of the Quinlan Arts Center are dedicated to monthly exhibitions of local, regional and international artists. Both Gainesville College and Brenau University have substantial arts programs and galleries.

Utilities and Municipal Services

The City supplies water and sewerage services to its residents, commercial, industrial, and other parcels located in multiple municipalities or areas in the County. Electricity is supplied to residential users by either Georgia Power or Jackson EMC depending on the residential location. Industrial and commercial users using more than 900kVA have the ability to select their choice of provider. These options include: Georgia Power, Jackson EMC, the City of Buford, or Sawnee EMC. All users of industrial gas have the ability to select their choice of provider. Choices for natural gas include: Atlanta Gas Light, Liberty Utilities, City of Buford, and Certified Natural Gas Marketers. Telecommunications are provided by AT&T, Spectrum, Windstream, and Xfinity. Trash services are supplied to residential users by the City of Gainesville Solid Waste Department.

Education

The Gainesville City School District is a Georgia charter school system serving approximately 8,000 students from pre-kindergarten through grade 12 in eight specialty charter programs. The School District has six elementary schools, two middle schools and one high school. There are two private schools in the City: Lakeview Academy and Riverside Preparatory Academy. Lakeview is a coeducational day school for students in grades 3 through 12. Riverside Preparatory Academy is an all-boys school for students in grades 6-12.

There is one public university, a private university and a technical college in the City. The University of North Georgia ("UNG") is a public college and is part of the University System of Georgia. UNG is designated as a State leadership institution and as the military college of Georgia. UNG has five campuses, one of which is located in Gainesville. The Gainesville campus is a commuter campus and has an enrollment of approximately 7,500 students. Brenau University is a private university that offers undergraduate and graduate degrees through six-on

ground instructional sites in Georgia and online. The Gainesville campus has an enrollment of approximately 2,800 students. Lanier Technical (“LT”) College is a public technical college and is part of the Technical College System of Georgia. LT has five campuses, one of which is located in Gainesville. The Gainesville campus has an enrollment of approximately 5,045 students.

There are a number of colleges and universities in the Atlanta metropolitan area. In addition, The University of Georgia is located approximately 58 miles from the City.

Transportation

The City is a crossroads for numerous state highways. The City may be accessed from Interstate 985, U.S. Route 23, U.S. Route 129 and U.S. Route 53.

Hall Area Transit (“HAT”) provides public transportation throughout the County. HAT has a vanpool service with a fleet of 10 to 12 passenger vans, two buses and a trolley that operates in downtown from time to time depending on demand.

The Lee Gilmer Memorial Airport is located in the City and is owned and operated by the City. The Airport provides private general aviation air service including fuel sales and aircraft storage. The Airport’s main runway is 5,500 feet long and has a medium intensity approach landing system and instrument landing system. The Airport also has a 4,000-foot runway that is only open during daylight hours. The nearest commercial air service is located in Atlanta, 60 miles away, at Hartsfield-Jackson Atlanta International Airport.

Two major active freight rail lines run in a north-south direction through the County. The Norfolk Southern Atlanta/Greenville line parallels I-985/SR 365 and passes through Flowery Branch, Oakwood, the City, and Lula. The CSX line runs south from the City to Athens. AMTRAK provides daily passenger service along this line with a station stop in each direction.

The nearest deep-water port is Savannah, which is 300 miles to the south.

BONDHOLDERS’ RISKS

General

The purchase of the Series 2024 Bonds involves special risks and the Series 2024 Bonds may not be appropriate investments for all types of investors. Each prospective investor is encouraged to read this Official Statement in its entirety and to give particular attention to the factors described below, which, among other factors discussed herein, could affect the payment of debt service on the Series 2024 Bonds and could affect the market price of the Series 2024 Bonds to an extent that cannot be determined at this time. *The following does not purport to be an exhaustive listing of risks and other considerations that may be relevant to investing in the Series 2024 Bonds. In addition, the order in which the following information is presented is not intended to reflect the relative importance of such risks.*

Limited Obligations

General. The Series 2024 Bonds constitute special, limited obligations of the City. The Series 2024 Bonds do not constitute a general obligation of the City, and the City cannot levy any general ad valorem tax to pay the Series 2024 Bonds. Owners of the Series 2024 Bonds may not look to any City funds or accounts other than those specifically pledged by the City to the payment of the Series 2024 Bonds. See “SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2024 BONDS.”

Loss of System Revenues. The Series 2024 Bonds are secured by and payable solely from a first lien on and pledge of the Net Revenues of the System and from moneys on deposit in certain funds and accounts created pursuant to the Resolution. If the System, or any material portion thereof, were to become inoperable due to

damage, destruction, or environmental restriction or if the City should lack raw water or lack treatable water due to contamination, drought or catastrophe, the City may be unable to generate adequate revenues of the System. In the event that the operating revenues at any time are not sufficient to make such payments and deposits, the City covenants in the Resolution that it will increase such rates, fees, tolls, and charges to an extent which will ensure such payments and deposits (the “Rate Covenant”). See “SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2024 BONDS – Rate Covenant” and “THE SYSTEM.”

No Mortgage Secures the Series 2024 Bonds. The payment of the Series 2024 Bonds is not secured by an encumbrance, mortgage, or other pledge of property of the City, except for the Net Revenues. No real or personal property of the City, shall be liable to be forfeited or taken in payment of the Series 2024 Bonds. See “SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2024 BONDS – General.”

Additional Bonds

Under the Resolution, the City is permitted to issue Additional Bonds on a parity with the lien of the Series 2024 Bonds. See “SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2024 BONDS – Additional Bonds.” Debt service on all Additional Bonds of the City will be payable from Net Revenues on a pro-rata basis. Accordingly, to the extent that future obligations are issued on a parity with the lien of the Series 2024 Bonds, the security for the Series 2024 Bonds may be diluted.

Factors That May Cause Insufficiency of Expected Revenues

General. The generation of Net Revenues is dependent upon several factors outside the City’s control, such as the economy, collections of water and wastewater service charges and tap fees, continued growth (or lack thereof), and changes in law. It is impossible to predict whether current economic conditions will continue or worsen or to predict how future conditions will affect the operation of the System or the City’s finances in general. The following factors, among others, may impact the generation of Net Revenues in the future.

Payment on the Series 2024 Bonds is dependent upon the generation of sufficient Net Revenues of the System. If the System becomes inoperable due to damage, destruction, environmental restriction or for any other reason, if the City should lack raw water or lack treatable water due to contamination, lack of adequate supply to serve existing customers, drought or for any other reason, if the City has inadequate storage or transmission facilities, if the City is unable to increase rates and charges for any reason or if the City incurs unanticipated expenses or reduced revenues due to power rate increases or for any other reason, the City may be unable to generate adequate revenues from the System to pay debt service on the Series 2024 Bonds (subject to the requirement that the City must subsequently raise rates if necessary to satisfy the Rate Covenant).

Water Quality and Environmental Requirements. The System is subject to numerous federal and State regulatory requirements. Those regulations are subject to change at any time. Public drinking water systems like the System are regulated by the Environmental Protection Agency and the EPD, and the EPD has the authority to enforce drinking water quality standards. Water quality standards imposed by the federal government or the State may affect the water available to the City and implementation of those standards or enforcement by the EPD could result in increased costs associated with water treatment operations of the City. In addition, failure to comply with regulatory changes, or the inability to comply with them in a timely manner could cause portions of the System to become unavailable. Any disruption of service could negatively impact Net Revenues.

In operating the System, the City also may be subject to various environmental regulations that could subject the City to increased operating costs or capital expenditures. Such risks include the use of hazardous materials in the water treatment process and the disposal of such materials, the occurrence of upstream events that could cause contamination of the City’s water sources, or other factors. Such increased costs could reduce the amount of Net Revenues available to pay debt service on the Series 2024 Bonds.

Drought. In recent years, the State has experienced drought conditions. Continued, or more severe, watering limitations or increased conservation measures could reduce the amount of water treated and sold by the City and therefore could reduce the Net Revenues generated by the System. Further, although the City may increase

rates and charges without restriction in response to lower usage, it is not possible to predict at this time whether any rate increases can or will be implemented in time to pay debt service on the Series 2024 Bonds in any given fiscal year.

Water Supply. Any prohibition or reduction of water withdrawal supply from Lake Lanier as a result of future judicial decisions, actions by the U.S. Congress, administrative decisions by the Corps regarding the amount of reservoir storage that it will make available for water supply, or agreements among the States of Alabama, Florida, and Georgia could limit the City's available water, reduce the City's ability to expand the System and impact the rates that the City charges its existing customers. See "THE SYSTEM – Water System – *Water Supply*" herein.

Cybersecurity. Despite the implementation of network security measures by the City, its information technology systems may be vulnerable to breaches, hacker and ransomware attacks, computer viruses, physical or electronic break-ins and other similar events or issues. State and local governments have recently been subject to such attacks.

The foregoing events or issues could lead to the inadvertent disclosure of confidential information, ransomware attacks holding critical information and operations hostage or could have an adverse effect on the City's ability to collect Net Revenues. Any breach or cyberattack that compromises data could result in negative press. Despite efforts of the City, no assurances can be given that the City's measures will prevent cybersecurity attacks, and no assurances can be given that any cybersecurity attacks, if successful, will not have a material adverse effect on the operations or financial condition of the System.

Secondary Market

There is no guarantee that a secondary market for the Series 2024 Bonds will be maintained. Thus, owners of Series 2024 Bonds should be prepared to hold their Series 2024 Bonds to maturity.

Changes in Law

Various federal and State laws and constitutional provisions apply to the imposition, collection, and expenditure of the Net Revenues and the operation of the System and the City. There is no assurance that there will not be any change in, interpretation of, or addition to the applicable laws, provisions, and regulations which would have a material effect, directly or indirectly, on the System, the affairs of the City and the imposition, collection, and expenditure of the Net Revenues.

No Trustee

There is no bond trustee or similar person or entity to monitor or enforce the provisions of the applicable Resolution on behalf of the Bondholders, and therefore the Bondholders should be prepared to enforce such provisions themselves if the need to do so ever arises.

TAX MATTERS

Generally. In the opinion of Murray Barnes Finister LLP, Bond Counsel, under existing statutes, rulings and court decisions, and assuming compliance by the City with certain tax covenants, interest on the Series 2024 Bonds (including any original issue discount properly allocable to a holder of the Series 2024 Bonds) is excludable from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals; however, such interest is taken into account in determining the annual adjusted financial statement income of certain corporations for the purpose of computing the alternative minimum tax imposed on corporations. Except as provided below with respect to original issue discount, no opinion will be expressed with respect to any other federal tax consequences of the receipt or accrual of interest on, or the ownership of, the Series 2024 Bonds.

Ownership of the Series 2024 Bonds may result in other collateral federal income tax consequences to certain taxpayers, including, without limitation, banks, thrift institutions and other financial institutions, foreign corporations which conduct a trade or business in the United States, property and casualty insurance corporations, S corporations, individual recipients of social security or railroad retirement benefits and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry the Series 2024 Bonds. Purchasers of the Series 2024 Bonds should consult their tax advisors as to the applicability of any such collateral consequences.

In rendering its opinion that the interest on the Series 2024 Bonds is excludable from gross income for federal income tax purposes, Bond Counsel will (a) rely as to questions of fact material to its opinion upon certificates and certified proceedings of public officials, including officials of the City, and representations of the City (including representations as to the use and investment of the proceeds of the Series 2024 Bonds), without undertaking to verify the same by independent investigation and (b) assume continued compliance by the City with its covenants relating to the use of the proceeds of the Series 2024 Bonds and compliance with the requirements contained in the Internal Revenue Code of 1986, as amended (the “Code”), including the arbitrage requirements contained in Section 148 of the Code. The inaccuracy of any such representations or noncompliance with such covenants may cause interest on the related Series 2024 Bonds to become includable in gross income for federal income tax purposes retroactive to the date of issuance of the Series 2024 Bonds.

Original Issue Premium. An amount equal to the excess of the purchase price of a Series 2024 Bonds over its stated redemption price at maturity constitutes premium on such Series 2024 Bond. A purchaser of a Series 2024 Bond must amortize any premium over such Series 2024 Bond’s term using constant yield principles, based on the Series 2024 Bond’s yield to maturity. As premium is amortized, the purchaser’s basis in such Series 2024 Bond and the amount of tax-exempt interest received will be reduced by the amount of amortizable premium properly allocable to such purchaser. This will result in an increase in the gain (or decrease in the loss) to be recognized for federal income tax purposes on sale or disposition of such Series 2024 Bond prior to its maturity. Even though the purchaser’s basis is reduced, no federal income tax deduction is allowed.

The foregoing is a general discussion of certain federal income tax consequences of original issue premium and does not purport to deal with all tax questions that may be relevant to particular investors or circumstances. Purchasers of any Series 2024 Bond at a premium, whether at the time of initial issuance or subsequent thereto, should consult their tax advisors with respect to the determination and treatment of premium for federal income tax purposes, and with respect to state and local tax consequences of owning such Series 2024 Bonds.

Original Issue Discount. In the opinion of Bond Counsel, under existing statutes, rulings and court decisions and under applicable regulations, any original issue discount in the selling price of a Series 2024 Bond, to the extent properly allocable to a holder of such Series 2024 Bond, is excludable from gross income for federal income tax purposes. The original issue discount is the excess of the stated redemption price at maturity of such Series 2024 Bond over the initial offering price to the public, excluding underwriters and other intermediaries, at which price a substantial amount of such Series 2024 Bond was sold.

Under Section 1288 of the Code, original issue discount on tax-exempt obligations accrues on a constant yield to maturity basis. The amount of the original issue discount that accrues to an owner of a discount bond who acquires such discount bond during any accrual period generally equals (a) the issue price of such discount bond plus the amount of original issue discount accrued in all prior accrual periods, multiplied by (b) the yield to maturity of such discount bond (determined on the basis of compounding at the close of each accrual period and properly adjusted for the length of the accrual period), less (c) any interest payable on such discount bond during such accrual period. The amount of original issue discount so accrued in a particular accrual period will be considered to be received ratably on each day of the accrual period, will be excludable from gross income for federal income tax purposes, and will increase the owner’s tax basis in a discount bond for the purpose of determining gain or loss upon a subsequent sale, exchange, payment, or redemption. Any gain realized by an owner from a sale, exchange, payment, or redemption of a discount bond would be treated as gain from the sale or exchange of such discount bond.

The foregoing is a general discussion of original issue discount. Purchasers of discount Series 2024 Bonds should consult their own tax advisors with respect to the determination and treatment of original issue discount for

federal income tax purposes and with respect to state and local tax consequences of owing such discount Series 2024 Bonds.

State of Georgia. In the opinion of Bond Counsel, under existing law, interest on the Series 2024 Bonds is exempt from present state income taxation within the State of Georgia. Interest on the Series 2024 Bonds may or may not be subject to state or local income taxation in jurisdictions other than the State of Georgia. Purchasers of the Series 2024 Bonds should consult their own tax advisor with respect to the tax-exempt status of interest on the Series 2024 Bonds in a particular state or local jurisdiction other than the State of Georgia.

Changes in Federal Tax Law. Current and future legislative proposals, if enacted by Congress, could cause interest on the Series 2024 Bonds to be subject, directly or indirectly, to Federal income taxation or to be subject to State income taxation or adversely affect the market value of the Series 2024 Bonds. It cannot be predicted whether or in what form any such proposal might be enacted or whether if enacted it would apply to bonds issued prior to enactment. In addition, regulatory actions are from time to time announced or proposed and litigation is threatened or commenced which, if implemented or concluded in a particular manner, could adversely affect the market value of the Series 2024 Bonds or could cause interest on the Series 2024 Bonds to be subject, directly or indirectly, to Federal income taxation or to be subject to State income taxation. It cannot be predicted whether any such regulatory action will be implemented, how any particular litigation or judicial action will be resolved, or whether the Series 2024 Bonds or the market value thereof would be impacted thereby. Purchasers of the Series 2024 Bonds should consult their tax advisors regarding any pending or proposed legislation, regulatory initiatives or litigation. The opinions expressed by Bond Counsel are based upon existing legislation and regulations as interpreted by relevant judicial and regulatory authorities as of the date of issuance and delivery of the Series 2024 Bonds, and Bond Counsel has expressed no opinion as of any date subsequent thereto or with respect to any pending legislation.

LEGAL MATTERS

Pending Litigation

The City, like other similar governmental bodies, is subject to a variety of suits and proceedings arising in the ordinary conduct of its affairs. The City, after reviewing the current status of all pending and threatened litigation with its legal counsel, Hulsey, Oliver & Mahar, LLP, believes that, while the outcome of litigation cannot be predicted, the final settlement of all lawsuits which have been filed and of any actions or claims pending or threatened against the City or its officials in such capacity are adequately covered by insurance or will not have a material adverse effect upon the financial position of the System.

There is no controversy or litigation of any nature now pending, or to the knowledge of the City, threatened against the City restraining or enjoining the issuance or delivery of the Series 2024 Bonds or questioning or affecting the validity of the Series 2024 Bonds or the proceedings and authority under which they are issued. There is no litigation pending, or to the knowledge of the City, threatened against the City, that (a) contests the existence or creation of the City or the title of the present members or other officials of the City to their respective offices, or (b) which in any manner questions the power of the City to issue the Series 2024 Bonds or to secure the Series 2024 Bonds in accordance with the provisions of the Resolution by the pledge of the Net Revenues of the System.

Validation Proceedings and Approving Opinions

In accordance with the procedures set forth in the Revenue Bond Law, the Series 2024 Bonds will be validated by order of the Superior Court of Hall County prior to their issuance.

Legal matters incidental to authorization and issuance of the Series 2024 Bonds by the City are subject to the approving opinion of Murray Barnes Finister LLP, Bond Counsel and Disclosure Counsel to the City. It is anticipated that the approving opinion will be in substantially the form attached hereto as Appendix D. Certain legal matters will be passed upon for the City by its counsel, Hulsey, Oliver & Mahar, LLP.

All legal opinions will state that the rights of the owners of the Series 2024 Bonds and the enforceability of the documents covered by such opinions may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted and may also be subject to the exercise of judicial discretion in appropriate cases.

Closing Certificate

The City will deliver to the Underwriter a certificate to the effect that the information contained in this Official Statement does not contain any misrepresentation of a material fact and does not omit or state any material fact necessary to make the statements herein contained, in light of the circumstances under which they were made, not misleading.

MISCELLANEOUS

Rating

Moody's Investors Service, Inc. ("Moody's") and S&P Global Ratings, a division of Standard & Poor's Financial Services LLC ("S&P") have assigned the Series 2024 Bonds the ratings shown on the cover page of this Official Statement. An explanation of the significance of such rating may be obtained from Moody's and S&P respectively.

The above-described ratings are not a recommendation to buy, sell or hold the Series 2024 Bonds. Generally, rating agencies base their rating on information and materials furnished to the agencies and on investigations, studies and assumptions by the agencies. There is no assurance that the rating will be maintained for any given period of time or that such rating will not be revised downward or withdrawn entirely by the rating agency furnishing the same if, in such agency's judgment, circumstances so warrant. Any such downward revision or withdrawal of the rating on the Series 2024 Bonds may have an adverse effect on the market price of the Series 2024 Bonds. Neither the City nor the Underwriter has undertaken any responsibility to oppose any such revision, suspension or withdrawal.

Underwriting

Raymond James & Associates, Inc. (the "Underwriter") has agreed to purchase the Series 2024 Bonds pursuant to a Bond Purchase Agreement entered into between the City and the Underwriter. The Underwriter has agreed to purchase the Series 2024 Bonds at a purchase price of \$_____ (par, plus original issue premium of \$_____, and less underwriting discount of \$_____). The Bond Purchase Agreement provides that the Underwriter will purchase all of the Series 2024 Bonds if any are purchased; however, the obligation of the Underwriter to purchase the Series 2024 Bonds is subject to certain terms and conditions set forth in the Bond Purchase Agreement. The Underwriter intends to offer the Series 2024 Bonds to the public initially at the offering prices shown on the inside cover page hereof, which prices may subsequently change without any requirement of prior notice. The Underwriter reserves the right to join with other dealers and underwriters in offering the Series 2024 Bonds to the public. The Underwriter may offer and sell the Series 2024 Bonds to certain dealers at prices lower than the public offering.

The Underwriter and its affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, principal investment, hedging, financing and brokerage activities. The Underwriter and its affiliates have, from time to time, performed, and may in the future perform, various investment banking services for the City for which it received or will receive customary fees and expenses.

Independent Auditors

The financial statements of the City for the fiscal year ended June 30, 2023 attached hereto as Appendix B have been audited by Rushton, LLC (the "Auditors") to the extent and for the period indicated in its report thereon,

which appears in Appendix B. Such financial statements have been included herein without the consent of the Auditors. The Auditors have not performed any procedures relating to this Official Statement.

Additional Information

Use of the words “shall” or “will” in this Official Statement in summaries of documents to describe future events or continuing obligations is not intended as a representation that such event or obligation will occur but only that the document contemplates or requires such event to occur or obligation to be fulfilled.

Any statements made in this Official Statement involving estimates or matters of opinion, whether or not so expressly stated, are set forth as such and not as representations of fact, and no representation is made that any of the estimates or matters of opinion will be realized. Neither this Official Statement nor any statement which may have been made orally or in writing is to be construed as a contract with the owners of the Series 2024 Bonds.

AUTHORIZATION OF AND CERTIFICATION CONCERNING OFFERING STATEMENT

This Official Statement has been authorized by the City.

CITY OF GAINESVILLE, GEORGIA

By: _____
Mayor

APPENDIX A

Summary of the Resolution

APPENDIX B

Financial Statements of the City for the Fiscal Year Ended June 30, 2023

The Series 2024 Bonds are secured solely by the Net Revenues and not by any other moneys of the City, including but not limited to General Fund moneys. The audited financial statements of the City are included in their entirety only because the financial statements for the System's operations are not prepared separately.

APPENDIX C
Form of Disclosure Certificate

APPENDIX D
Form of Bond Counsel Opinion