

STATE OF GEORGIA)
)
COUNTY OF LIBERTY) INTERGOVERNMENTAL AGREEMENT

THIS INTERGOVERNMENTAL AGREEMENT (this “**Agreement**”), made and entered into as of _____, 2022, by and between LIBERTY COUNTY (the “**County**”), a political subdivision of the State of Georgia, and the CITIES OF ALLENHURST, FLEMINGTON, GUMBRANCH, HINESVILLE, MIDWAY, RICEBORO, and WALTHOURVILLE (the “**Municipalities**”), each a political subdivision of the State of Georgia.

WITNESSETH:

WHEREAS, § 48-8-110 *et seq.* of the Official Code of Georgia Annotated (“**O.C.G.A.**”) (the “**Act**”) authorizes the imposition of a county special purpose local option sales tax (the “**Special Sales Tax**”) in the special districts created pursuant to O.C.G.A. § 48-8-110.1(a) which correspond with the geographical boundaries of the counties of the state; and

WHEREAS, O.C.G.A. § 48-8-111(a) authorizes the Special Sales Tax to be imposed for the purposes set forth therein which include capital outlay projects to be owned or operated by the County, a qualified municipality, or a local authority within the district and for the retirement of any previously incurred general obligation debt of a county or a qualified municipality; and

WHEREAS, a Special Sales Tax is currently being imposed in the County, which the County anticipates will cease being collected on or about March 31, 2023; and

WHEREAS, O.C.G.A. § 48-8-111(a) requires that, prior to the vote of a county governing authority within a special district to impose a Special Sales Tax, such governing authority shall deliver or mail a written notice to the mayor or chief elected official of each qualified municipality located within the special district, such notice to contain the date, time, place, and purpose of a meeting at which the governing authorities of the county and each qualified municipality are to meet to discuss the possible projects for inclusion in a referendum to be held relating to the Special Sales Tax, and in accordance therewith, such notice was given by the Board of Commissioners of Liberty County and such meeting was held on May 12, 2022.; and

WHEREAS, O.C.G.A. § 48-8-111(a) authorizes the County to enter into an intergovernmental agreement with any or all of the qualified municipalities within the special district containing a combined total of no less than 50% of the aggregate municipal population located within the special district; and

WHEREAS, the County intends to enter into this intergovernmental agreement with all the Municipalities relating to the division of proceeds of the Special Sales Tax; however the County is allowed under the Act to call the Election, herein defined, upon the execution of an intergovernmental agreement with the City of Hinesville, which has more than 50% of the aggregate municipal population located within the special district; and

WHEREAS, the County and all of Municipalities are in need of funds to undertake road, street, and bridge purposes, which may include sidewalks, drainage, bicycle paths, and safety

improvements (the “**Roads Projects**”); and

WHEREAS, the County is in need of funds to retire previously incurred debt of the County for capital outlay projects financed through the Liberty County Public Facilities Authority for the Justice Center, MidCoast Regional Airport, Fire and EMS Facilities, and to undertake the following new capital outlay projects: Roads Projects; drainage projects; parks and recreation facilities; public works facilities, facilities and equipment for Liberty County Regional Medical Center; ; County public works and public safety facilities, vehicles and equipment, , ambulances; economic development; election facilities and equipment; historical and cultural improvements; the jail; the health department, an event/entertainment center, coroner facilities, public works, and, costs related to program management (said retirement of previously incurred debt for capital outlay projects and said new capital outlay projects being described collectively herein as the “**County Projects**”); and

WHEREAS, the City of Allenhurst is in need of funds for Roads, Projects and other governmental facilities, (the “**Allenhurst Projects**”); and

WHEREAS, the City of Flemington is in need of funds for Roads Projects, other governmental facilities, and public safety equipment (the “**Flemington Projects**”); and

WHEREAS, the City of Gumbranch is in need of funds for Roads, Projects and other governmental facilities (the “**Gumbranch Projects**”); and

WHEREAS, the City of Hinesville is in need of funds for the following capital outlay projects: Roads Projects; the acquisition of public safety vehicles and equipment, ; Parks and recreation facilities; previously incurred debt for public safety facilities ; public works facilities (the capital outlay projects of the City of Hinesville being described collectively herein as the “**Hinesville Projects**”); and

WHEREAS, the City of Midway is in need of funds to undertake the following capital outlay projects: Roads Projects; governmental facilities; Parks and the acquisition of public safety vehicles and equipment (the “**Midway Projects**”); and

WHEREAS, the City of Riceboro is in need of funds to undertake the following capital outlay projects: Roads Projects; drainage, governmental facilities, and public safety vehicles and equipment (the “**Riceboro Projects**”); and

WHEREAS, the City of Walthourville is in need of funds to undertake the following capital outlay projects: Roads Projects, drainage, water and sewer improvements, governmental facilities and the public safety vehicles and equipment (the “**Walthourville Projects**”); and

WHEREAS, the Board of Commissioners of Liberty County has determined that it is in the best interest of the citizens of the County that a Special Sales Tax be imposed in the County for six years for the raising an amount estimated to be \$69,000,000 to be used and expended for the foregoing projects of the County and the Municipalities; therefore, the County will submit to the qualified voters of the County at an election to be held on November 8, 2022 (the “**Election**”), the question of whether the voters will approve imposition of the Special Sales Tax

in accordance with a resolution being prepared for adoption by the Board of Commissioners of Liberty County; and

WHEREAS, the County and the Municipalities, in consideration of the distribution of the proceeds of the Special Sales Tax for the capital outlay projects as described herein, have agreed to enter into this Agreement in compliance with O.C.G.A. § 48-8-115(b)(1), which will enable the County to call the Election for a vote on the imposition of the Special Sales Tax, said tax to begin on the earliest date after the Election as authorized by law and to continue for a period not to exceed six years, in accordance with O.C.G.A. § 48-8-111(a)(2); and

WHEREAS, the proceeds of said Special Sales Tax shall be allocated between the County and the Municipalities in accordance with the provisions of this Agreement, which has been entered into prior to the issuance of the call of the Election in compliance with the Act and with Article IX, Section III, Paragraph I of the Constitution of the State of Georgia; and

WHEREAS, it is necessary that the County and the Municipalities set forth their respective legal rights, responsibilities, and obligations regarding the construction, ownership, and operation of the above-described capital outlay projects and the division of Sales Tax proceeds.

NOW THEREFORE, in consideration of the premises the parties hereto agree as follows:

Section 1. The specific projects to be funded with the Special Sales Tax shall be the County Projects, the Allenhurst Projects, the Flemington Projects, the Gumbranch Projects, the Hinesville Projects, the Midway Projects, the Riceboro Projects, the Walthourville Projects, and projects of Countywide benefit. A list which further describes said projects, the estimated cost of each project, and the percentage of net Special Sales Tax receipts to be allocated to the County and each Municipality is attached hereto as Exhibit A. The costs of the projects shown on Exhibit A are estimates only. Plans and specifications for these projects have not been completed and bids have not been received. The County and the Municipalities expect that substantial revisions may be made to such estimates which shall be made within the reasonable discretion of the governing body of the County or the Municipality receiving money for its projects. Costs of any such capital outlay project shall include, as required, costs for the acquisition, construction, renovation, and equipping of such project, including specifically costs and expenses related to lease purchase, installment sales agreements, or intergovernmental contracts entered into by the County or any municipality for the use or acquisition of a project.

Section 2. O.C.G.A. § 48-8-115(a)(1) provides that one percent of the Special Sales Tax receipts collected shall be paid into the general fund of the state treasury in order to defray the costs of administration. A custodial account for all net receipts of the Special Sales Tax paid to the County by the Georgia Department of Revenue shall be designated and established by the County. Separate accounts shall be established by the County, Flemington, Hinesville, Midway, Riceboro, Walthourville, and Allenhurst for the receipt and disbursement of money to be allocated to the respective projects of the County and each such Municipality. The County shall establish accounts for Gumbranch and shall make disbursements therefrom under procedures established by the County for the benefit of Gumbranch. Proceeds from the Sales Tax shall be used exclusively for the purposes described in this Agreement and the resolution of the County

calling for imposition of the tax. The County and each Municipality shall comply with all provisions of the Act, including specifically O.C.G.A. § 48-8-121(a)(1) relating to the handling of proceeds, and shall be responsible for maintaining the records, conducting the audits, and causing to be prepared the auditors reports required by O.C.G.A. § 48-8-121(a)(2). The County and each Municipality shall maintain a record of each and every project for which proceeds of the tax are used and shall publish an annual report not later than December 31 of each year in a newspaper of general circulation in the boundaries of Liberty County as required by O.C.G.A. § 48-8-122.

Section 3. The estimated or projected dollar amount of net proceeds from the Special Sales Tax to be allocated to the projects set forth herein is \$69,000,000, which shall be allocated among the parties in the amounts described in Exhibit A. The County shall disburse to each Municipality and allocate to the County Projects and the projects of Countywide benefit the percentage amounts shown on Exhibit A on a monthly basis as net proceeds from the Special Sales Tax are received by the County.

Section 4. If collections from the Special Sales Tax exceed the estimated or projected dollar amount of \$69,000,000, all collections from the Special Sales Tax above \$69,000,000 shall be allocated proportionately based on the percentages shown on Exhibit A. If collections from the Special Sales Tax are below the estimated or projected dollar amount of \$69,000,000, any deficiency shall be allocated among the parties proportionately in the same percentages described in Exhibit A.

Section 5. The County and each of the Municipalities except for Gumbranch shall determine its own schedule for distributing proceeds which it receives from the Special Sales Tax and the priority or order in which its projects will be fully or partially funded. The County in consultation with Gumbranch shall determine the schedule and methodology for distributing proceeds for Gumbranch. All projects described herein shall be funded from proceeds of the Special Sales Tax unless otherwise agreed. It is expressly understood and agreed that funds from sources other than the Sales Tax may be required to complete the acquisition, construction, and equipping of the projects described in Exhibit A.

Section 6. The parties hereto covenant that they have the requisite legal authority to provide the services, perform the functions, and otherwise do all things necessary, convenient, and expedient to carry out the obligations and responsibilities herein set forth, either expressly or by reasonable implication. This Agreement shall constitute a binding, legal contract by and between the parties hereto, in accordance with Article IX, Section III, Paragraph I of the Constitution of the State of Georgia, and has been authorized by proper action of the respective parties. Furthermore, each of the Municipalities (except for the Cities of Allenhurst and Gumbranch) represents that it is a “qualified municipality” under the Act. To the extent that the City of Allenhurst and/or the City of Gumbranch are not a “qualified municipality” under the Act, the remaining parties to this Agreement nonetheless consent and agree that the City of Allenhurst and the City of Gumbranch shall (i) be entitled to receive their proportionate share of the net proceeds from the Special Sales Tax in the amounts described in Exhibit A (which shall be applied to the Allenhurst Projects and the Gumbranch Projects, respectively, as provided herein); (ii) be included within the definition of “Municipalities” for all purposes of this

Agreement; and (iii) otherwise be regarded as a full party to this Agreement as contemplated herein.

Section 7. Time is of the essence of this Agreement. In accordance with the Act, this Agreement will become a valid and binding intergovernmental agreement upon execution by the County and the Municipalities, which constitute no less than 50% of the aggregate municipal population located within the special district. The County may call the Election upon the execution of this Agreement.

Section 8. It is acknowledged and agreed that each Municipality except for Gumbranch has or will make such independent review and evaluation, as well as all other decisions, pertaining to the Special Sales Tax and its project(s) proposed to be funded, in whole or in part, by the same, without reliance upon any oral or written representation, warranty, information, advice, or analysis of any kind whatsoever from the County, however obtained, except for those agreements and representations, if any, expressly and specifically set forth herein. The County shall make such independent review and evaluation on behalf of Gumbranch and such other decisions as required for Gumbranch after consultation with Gumbranch. Without limiting the generality of the foregoing, the County specifically disclaims any and all representations or warranties, express or implied, regarding the success of the Election, the amounts to be raised by the Special Sales Tax, the imposition of the Special Sales Tax, or the allocation of any amount generated by virtue of any future or reimposed Special Sales Tax; it being further acknowledged by each Municipality that any project funded, in whole or in part, from the Special Sales Tax shall be undertaken at the Municipality's sole risk and that, except as set forth herein (but subject to the conditions contained in or implied by this Agreement regarding the imposition, collection, and allocation of the Special Sales Tax), no amounts whatsoever are guaranteed to the Municipalities in connection with the immediately proposed Special Sales Tax or any future Special Sales Tax.

Section 9. This Agreement shall be construed, interpreted, and enforced in accordance with the laws of the State of Georgia.

Section 10. Should any provisions of this Agreement be illegal or unenforceable, then such illegal or unenforceable provisions shall be severed from this Agreement and the remaining portions of this Agreement shall be enforceable to the greatest extent permitted by law.

Section 11. This Agreement is a full and complete statement of the agreement of the parties as to the subject matter hereof. This Agreement may be amended from time to time as permitted by law.

Section 12. If the Special Sales Tax is not approved by a majority of the registered voters of Liberty County on November 8, 2022, then this Agreement shall be null and void and shall have no legal effect on the parties hereto.

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

Executed as of the date first above written.

LIBERTY COUNTY

By: _____
Chairman
Board of Commissioners

(County's Signature Page)

CITY OF ALLENHURST, GEORGIA

By: _____
Mayor

(City of Allenhurst's Signature Page)

CITY OF FLEMINGTON, GEORGIA

By: _____
Mayor

(City of Flemington's Signature Page)

CITY OF GUMBRANCH, GEORGIA

By: _____
Mayor

(City of Gumbranch's Signature Page)

CITY OF HINESVILLE, GEORGIA

By: _____
Mayor

(City of Hinesville's Signature Page)

CITY OF MIDWAY, GEORGIA

By: _____
Mayor

(City of Midway's Signature Page)

CITY OF RICEBORO, GEORGIA

By: _____
Mayor

(City of Riceboro's Signature Page)

CITY OF WALTHOURVILLE, GEORGIA

By: _____
Mayor

(City of Walthourville's Signature Page)

