

City of Quincy

City Hall

404 West Jefferson Street

Quincy, Florida 32351

www.myquincy.net



COMMISSION MEETING

Tuesday, February 9, 2021

6:00 PM

City Hall

Commission Chambers

City Commission

Mayor Ronte R. Harris ~ District III

Mayor Pro-Tem Angela G. Sapp ~ District II

Commissioner Keith A. Dowdell ~ District I

Commissioner Freida Bass-Prieto ~ District IV

Commissioner Anessa A. Canidate ~ District V

"An All American City in the Heart of Florida's Future"



**City of Quincy, Florida
City Commission Meeting**

AMENDED AGENDA

**February 9, 2021
6:00 P.M.**

City Hall Commission Chambers

Call to Order

Invocation

Pledge of Allegiance

Roll Call

Approval of Agenda

Special Presentations

Special Presentation – Retirement of Police Lt. Eric Howell

- Mayor Ronte Harris, District 3

~~Special Presentation~~ REMOVED

- ~~• Ms. Darryl Johnson and Ms. Betty Harris~~

Proclamations

Items for Consent by the Commission

1. Approval of Minutes of the January 26, 2021 Regular Meeting
 - Janice Shackelford, City Clerk
2. Crane Service for North Substation
 - Jack L. McLean Jr., City Manager
 - Robin Ryals, Utilities Director

Public Hearings and Ordinances as Scheduled or Agendaed

Public Opportunity to Speak on Commission Propositions – (Pursuant to Sec. 286.0114, Fla. Stat. and subject to the limitations of Sec. 286.0114(3)(a), Fla. Stat.)

Resolutions

3. Resolution 1410-2021 – Municipal Gas Authority of Georgia - Amendment to Gas Supply Contract and Supplemental Contract (Gas Portfolio V Project)
 - Jack L. McLean Jr., City Manager
 - Robin Ryals, Utilities Director

Reports, Requests and Communications by the City Manager

4. Wolf Tree Cost Increase
 - Jack L. McLean Jr., City Manager
 - Robin Ryals, Utilities Director
5. Rostan Solutions, LLC Contractual Agreement and Amendments
 - Jack L. McLean Jr., City Manager
 - Dr. Beverly Nash, Grant Writer
6. Rostan Solutions, LLC – Task Order 1 – Coronavirus Aid
 - Jack L. McLean Jr., City Manager
 - Dr. Beverly Nash, Grant Writer
7. Quincy Cold Weather Shelter
 - Jack L. McLean Jr., City Manager
 - Charles Hayes, Procurement Officer

Reports by Boards and Committees

Other Items Requested to Be Agendaed by Commission Member(s), the City Manager and Other City Officials

Comments

- a) City Manager
- b) City Clerk
- c) City Attorney
- d) Commission Members

Comments from the Audience

Adjournment

If a person decides to appeal any decision made by the City Commission with respect to any matter considered at this meeting, he/she may need a record of the proceedings, and for such purpose, he/she may need to ensure that verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based. FS 286.0105. Persons with disabilities who require assistance to participate in City meetings are requested to notify the City Clerk's Office at (850) 618-0020 in advance.

APPROVAL OF MINUTES

Regular Meeting

January 26, 2021

CITY COMMISSION
Tuesday, January 26, 2021
6:15 P.M. (Eastern)

REGULAR MEETING
QUINCY, FLORIDA 32351

CITY COMMISSION VIRTUAL REGULAR MEETING MINUTES

The City of Quincy City Commission met in a regular virtual session via Zoom Communication and Video Conferencing, Tuesday, January 26, 2021, with **Mayor Ronte Harris** presiding and the following Commissioners present:

Mayor Pro-Tem Angela G. Sapp
Commissioner Anessa A. Canidate
Commissioner Keith A. Dowdell
Commissioner Freida Bass-Prieto

City Staff and Guest:

Jack L. McLean Jr., City Manager
Gary Roberts, City Attorney
Janice Shackelford Clemons, City Clerk
DeCody Fagg, Parks and Recreations Director
Reggie Bell, Public Works Director
Ann Sherman, Director of Human Resources and Customer Service
Anthony Baker, Interim Fire Chief
Dr. Beverly Nash, Grants
Vancheria Perkins, Executive Assistant to the City Manager
Robin Ryals, Utilities Director
Marcia Carty, Finance Director
David Rittman, IT Administrator
Rob Nixon, CRA Manager
Charles Hayes, Procurement
Jim Southerland Sr., WQTN-13 Administrator

Dr. Adrian Cooksey, Florida Department of Health Administrator
Sam Palmer, President, NAACP
Henry Gunn, President, Men of Action
Inez Holt and Family
Bishop Willie C. Green, Making Gadsden County Better, Inc.
Beth Kirkland Cicchetti, Gadsden County Economic Development Council
Lane Stephens, Lobbyist
Chris Moran, CPA

The regular meeting was recorded, televised, and transmitted by way of the City of Quincy's Facebook Page, TV Channel (WQTN-13), Zoom Communication, and Video Conferencing. (Please note: digital formatted documents/media are public records.)

- **Called to Order:**

Mayor Harris called the regular meeting to order at 6:15 pm. Bishop Willie C. Green provided the invocation. Mayor Harris led the reciting of the Pledge of Allegiance and requested the roll call.

- **Approval of Agenda**

Mayor Harris stated that an amended agenda was before the Commission.

Mayor Harris added Bishop Willie C. Green under special presentations.

Mayor Pro Tem Sapp offered a motion to approve the amended agenda, with Bishop Willie C. Green added to the amended agenda under special presentations.

Commissioner Keith Dowdell seconded the motion.

Commissioner	Vote
Commissioner Bass-Prieto	Yes
Commissioner Dowdell	Yes
Commissioner Canidate	Yes
Mayor Pro Tem Sapp	Yes
Mayor Harris	Yes

The Motion carried 5 to 0.

Mayor Harris stated that he had a proclamation honoring Dr. Adrian Cooksey and would hold the presentation until she arrived.

Special Presentations

Special Presentation to City Commission

- Sam Palmer, President of NAACP/Toys for Tots

The Naming of Jackson Height Pool Request

- Bruce James, Concerned Citizen
- Leola Holt Francis and Charleston L. Holt Jr., Concerned Citizens

Gadsden County Economic Development Council Economic Update

- Beth Kirkland Cicchetti, Gadsden County Economic Development Council
Legislative Update

- Lane Stephens, Lobbyist

September 30, 2020 Audit Update

- Chris Moran, CPA

Summary of the Discussion by Guests and the Commission

Mayor Harris recognized Mr. Sam Palmer, President of the NAACP and a representative of Toys for Tots, Inc., to deliver his presentation.

Mr. Palmer stated that he was accompanied by Mr. Henry Gunn, President of the Men of Action, who will provide a few remarks.

Mr. Gunn thanked the Commission for their contribution to the Toys for Tots program.

Mr. Gunn stated that the Toys for Tots program was successful.

Mr. Palmer stated that the pandemic had caused numerous obstacles for families with children and that the holiday season seemed hopeless.

Mr. Palmer stated that the Commission had always been a supporter of Toys for Tots.

Mr. Palmer stated that the Commission's contribution was appreciated.

Mr. Palmer provided pictures of the toys received.

Mr. Palmer stated that Toys for Tots provided support to 5-6 nonprofit organizations.

Mr. Palmer stated that the US Marine Corp motto is that "Every child should have a Christmas."

Mr. Palmer presented a plaque on behalf of the US Marine Corp to the Commission for their contribution to the Toys for Tots program.

Mayor Harris received the plaque on behalf of the Commission.

Mayor Harris thanked Mr. Palmer and Mr. Gunn for their presentations.

Mayor Harris stated that the Commission provided the donation, but the real work gets done with individuals like Mr. Palmer and Mr. Gunn.

Mayor Harris recognized Commissioner Bass-Prieto.

Commissioner Bass-Prieto stated that she had worked with the Toys for Tots Organization and knows about the hard work involved in putting a program together to make sure that children have a decent Christmas.

Commissioner Bass-Prieto thanked Mr. Palmer and Mr. Gunn for their dedication, hard work, and community spirit.

Mayor Harris recognized Mayor Pro Tem Sapp.

Mayor Pro Tem Sapp thanked Mr. Palmer and Mr. Gunn for what they do for the citizens and children in Quincy.

Mayor Pro Tem Sapp stated that she knows that it is an enormous task to package up all the toys for delivery.

Mayor Pro Tem Sapp stated that her husband, Mr. Emanuel Sapp, works closely with Toys for Tots.

Mayor Pro Tem Sapp stated that she and Mayor Harris witnessed a truck delivery for the Toys for Tots.

Mayor Harris recognized Commissioner Dowdell.

Commissioner Dowdell thanked Mr. Palmer and Mr. Gunn on behalf of the citizens of District One.

Commissioner Dowdell stated that he knows that it is hard work to ensure that Gadsden County children do not go without having Christmas.

Mayor Harris recognized Commissioner Canidate.

Commissioner Canidate thanked Mr. Palmer and Mr. Gunn on behalf of the citizens of District Five.

Commissioner Canidate thanked Mr. Palmer and Mr. Gunn for taking the burden away from parents and guardians during the pandemic.

Mayor Harris stated that the next presentation is the naming of the Jackson Height Pool.

Mayor Harris recognized Mrs. Inez Holt and her family.

Mrs. Holt stated that it is an honor to stand before the Commission.

Mrs. Holt read a letter objecting to renaming the Charleston Lee Holt Sr. splash pad.

Mrs. Holt stated that this news is sadly unsettling.

Mrs. Holt stated in her letter that Mayor Pro Tem Sapp led the charge in renaming the Jackson Heights Pool after Quincy, Fla., native Coach Charleston Lee Holt Sr.

Mrs. Holt stated that the vote carried 5-0.

Mrs. Holt stated that on June 24, 2017, a renaming dedication ceremony was held at the Jackson Heights Pool in honor of Coach Charleston Lee Holt Sr.

Mrs. Holt stated that Coach Charleston Lee Holt Sr. provides a rich history to Quincy and that he dedicated himself to improving the lives of others through education and coaching in Quincy, during the 1950s, until retiring in the 1990s.

Mrs. Holt stated that Coach Charleston Lee Holt Sr. was named the first pool manager and swimming instructor at the Jackson Heights Pool, due to his ability to remain tenacious during the 1960s, a critical era.

Mrs. Holt stated that there is no reason given at rethinking the renaming the Charleston Lee Holt Sr. Splash Pad.

Mrs. Arrie Battle read a letter from Leola Holt Francis. The letter provides significant reasons as to why the splash pad should honor Coach Charleston Lee Holt Sr.

Mayor Harris recognized Mayor Pro Tem Sapp.

Mayor Pro Tem Sapp thanked the Holt family for attending the Commission Meeting.

Mayor Pro Tem Sapp stated that the Commission would not be voting because the vote and decision had already taken place.

Mayor Pro Tem Sapp stated that Coach Holt played a significant part in the Jackson Heights Pool.

Mayor Pro Tem Sapp stated that the honoring of Quincy residents having a significant impact in paving the Parks and Recreation program, former Parks and Recreation Director Greg Taylor suggested names of Quincy residents.

Mayor Pro Tem Sapp stated and suggested that these names be affixed on the ballpark and around District Two.

Mayor Pro Tem Sapp stated that she suggested the renaming of Jackson Heights Pool honoring Coach Holt due to his active role with the education system in Quincy and his teaching swimming at the pool.

Mayor Pro Tem Sapp stated that some individuals who lived outside of Quincy contributed significantly to nurturing the youth of Quincy.

Mayor Pro Tem Sapp stated that there was no oversight in not including the names of individuals who were apart of the Jackson Heights era; they were simply omitted because of not living in the City of Quincy.

Mayor Harris recognized Commissioner Dowdell.

Commissioner Dowdell stated that considering changing the name of the Splash Pad was disturbing to him.

Commissioner Dowdell stated that this item should not have been on the agenda.

Commissioner Dowdell stated that he loved Coach Holt.

Commissioner Dowdell stated that Coach Holt and other men provided a positive influence on the youth growing up in Quincy.

Mayor Harris recognized Commissioner Bass-Prieto.

Commissioner Bass-Prieto stated that she had spoken with the City Manager after speaking with Mr. Bruce James and asked that this item be placed on the agenda.

Commissioner Bass-Prieto stated that she received an email from Bruce James regarding adding a name to the Splash Pad.

Commissioner Bass-Prieto stated that placing the item on the agenda was not done out of malice nor ill will, but to honor the request and bring forth the item to the Commission.

Commissioner Bass-Prieto stated that she could only provide the procedures to citizens on how to place items on the agenda.

Mayor Harris stated that, as a Commission, out of respect, neighborhood matters are referred to the Commissioner of that district.

Mayor Harris apologized to the Holt family if this action had caused an uproar with them.

Mayor Harris thanked Mayor Pro Tem Sapp for bringing clarity to this issue.

Mayor Harris thanked Mayor Pro Tem Sapp for doing an excellent job in District Two.

Mayor Harris stated that the next special presentation would be from Bishop Willie C. Green.

Mayor Harris recognized Bishop Willie C. Green.

Bishop Green stated that he was at the meeting on behalf of Making Gadsden County Better Inc.

Bishop Green stated that his organization's purpose is to assist elected officials with making Gadsden County Better.

Bishop Green stated that he is a lifelong resident of Gadsden County.

Bishop Green stated that the citizens depend on the elected officials to have their best interests at heart.

Bishop Green stated that, when elected officials fail the citizens, they should be voted out and go home.

Bishop Green asked that the Commission get to work like never before.

Bishop Green stated that he is concerned about the young people.

Bishop Green stated that students have no place to go for employment.

Bishop Green stated that he would like for all the elected officials to work collaboratively.

Bishop Green stated that not much has changed in Gadsden County.

Bishop Green stated that Gadsden County must be more invited to businesses.

Bishop Green stated that Gadsden County is at the top for unemployment and the bottom for income.

Bishop Green stated that the Commission is doing an outstanding job.

Mayor Harris thanked Bishop Green for coming and the reviving message.

Mayor Harris encouraged the Commission to work towards being the change that the citizens deserve.

Mayor Harris stated that the next presentation was Beth Kirkland Cicchetti of the Gadsden County Economic Development Council.

Mayor Harris recognized Ms. Beth Kirkland.

Ms. Kirkland provided an overview of the product development for inclusive strategies for Economic Development in Gadsden County.

Ms. Kirkland stated that GCEDC is looking to partner with the City of Quincy on the \$297,800 DEO RIF grant awarded in January 2020.

Ms. Kirkland stated that \$149,950 is dedicated to the feasibility study.

Ms. Kirkland stated that 10 acres are set aside for a solar field.

Ms. Kirkland stated that Project Expanse retained 320 jobs and added 30 new jobs.

Ms. Kirkland provided an overview of the project gallery.

Ms. Kirkland stated that the Hemp Producers expansion would provide 100 jobs over the next 3–5-year period.

Ms. Kirkland thanked the Mayor, Mayor Pro Tem, and the City Manager for serving on the Strategic Leadership Team.

Ms. Kirkland shared the characteristics of the Strategic Leadership Team.

Ms. Kirkland stated that the kick-off zoom call was on November 19, 2020.

Ms. Kirkland stated that the team would conduct a bi-monthly call every third Thursday.

Ms. Kirkland stated that a Community Based Organization Reunion was held on October 6, 2020, with 13 attendees participating.

Ms. Kirkland stated that the team had identified 75 businesses to visit and obtain information on their plans for staying opened through Covid-19 and afterwards and the challenges faced.

Ms. Kirkland stated that meetings are occurring with private and public schools.

Ms. Kirkland stated that the team had visit Robert F. Munroe on January 20.

Ms. Kirkland stated this process is gathering data to break down into goals and strategies to succeed over the next five years.

Mayor Harris thanked Ms. Kirkland for a detailed report.

Mayor Harris recognized Commissioner Bass-Prieto.

Commissioner Bass-Prieto asked for clarification on the development of the Joe Adams Road.

Commissioner Bass-Prieto asked for clarification on the Project Expanse deal.

Commissioner Bass-Prieto stated her concerns regarding receiving phone calls from individuals frustrated with doing business in Gadsden County and Quincy.

Commissioner Bass-Prieto stated that Jackson County is getting what Quincy needs in terms of development.

Commissioner Bass-Prieto stated she is focused on helping Quincy grow.

Commissioner Bass-Prieto stated that she would like to see Quincy move towards being business-friendly.

Commissioner Bass-Prieto stated that she asked the City Manager to place this item on the agenda because of Quincy's lack of economic development growth.

Ms. Kirkland stated that Quincy is doing great things by tapping into governmental resources.

Mayor Harris stated that he would have liked this presentation conducted during a workshop.

Mayor Harris stated that investments are needed in downtown and other areas to attract businesses to Quincy.

Mayor Harris stated that loosening Quincy's conservative makeup will help in bringing businesses to the area.

Mayor Harris reiterated Mayor Pro Tem Sapp's and Bishop Green's comments regarding working with the school system, training young people to become work-ready so that when businesses arrive in Quincy, available and qualified individuals will be available to send out to work.

Mayor Harris stated that he was pleased to know that they are investing and will continue stepping up.

Mayor Harris again thanked Ms. Kirkland for being present at the meeting.

Mayor Harris stated that the next item would be a legislative update.

Mayor Harris recognized Mr. Lane Stephens.

Mr. Stephens stated that it was good to be at the meeting.

Mr. Stephens stated that he was there to provide an update on what's going on in Tallahassee.

Mr. Stephens stated that the process was different, due to Covid.

Mr. Stephens stated that the Moderna vaccine, requiring no refrigeration, had entered into phase one by vaccinating first responders and seniors.

Mr. Stephens stated that hopefully, in March, phase two will begin vaccinating individuals under 65 years of age.

Mr. Stephens stated that the Senate was in total lockdown. No one can participate in speaking in an open forum.

Mr. Stephens stated that the House was accepting the public to speak with limited spaces available.

Mr. Stephens stated that the City had five budget requests.

Mr. Stephens stated that the requests had been submitted to Senator Ausley's office.

Mr. Stephens stated that one project involves Park and Recreation, three others surround Emergency Management - Law Enforcement, and the last project is a sewer project.

Mr. Stephens stated that community project requests are being filed daily.

Mr. Stephens stated that replacing the bleachers at Corry field is necessary.

Mr. Stephens stated that he would be working with the City Manager and staff to move the budget requests through the process.

Mr. Stephens stated that he would answer any questions.

Mayor Harris stated that if the Commission's testimony was needed to go along with the process, please contact them.

Mayor Harris stated that it was essential that the Commission engages in the legislative process.

Mayor Harris thanked Mr. Stephens for his dedication and hard work.

Mayor Harris stated that the final presentation was the audit update.

Mayor Harris recognized Mr. Chris Moran, CPA.

Mr. Moran introduced himself as the auditor.

Mr. Moran stated the 2020 audit had begun.

Mr. Moran stated that the audit would try to meet the March deadline.

Mr. Moran stated that there had been a good transformation in the finance department.

Mr. Moran stated that the year 2020 is most unusual.

Mr. Moran stated that in 2019 the hurricane hit, and 2020 saw an influx of grant money. Mr. Moran stated that the City had not had any grant money in previous years.

Mr. Moran stated that the City has the tools for receiving grant money that was not in place ten years ago.

Mr. Moran extended an invitation to meet with each Commission member individually.

Mr. Moran stated that he should have a draft copy of the audit, through item 20, by next week.

Mayor Harris recognized Mayor Pro Tem Sapp.

Mayor Pro Tem Sapp thanked Mr. Moran for coming and for the positive report.

Mayor Harris thanked Mr. Moran for his report.

Proclamations

Proclamation Honoring Dr. Adrian Cooksey, Florida Department of Health Administrator
• Mayor Ronte R. Harris, District 3

Summary of the Discussion by Guests and the Commission

Mayor Harris stated that Dr. Cooksey is doing a fantastic job in Gadsden County.

Mayor Harris stated that Dr. Cooksey is our local Dr. Fauci.

Mayor Harris read the Mayor's Proclamation honoring Dr. Cooksey.

**"For her support and dedication to the service of the Citizens of the
City of Quincy and Gadsden County and for her leadership in dealing with**

the spread of Covid-19 in Gadsden County”.

Dr. Cooksey stated that she had a big smile on her face under her mask.

Dr. Cooksey stated she was delighted to receive the Mayor’s Proclamation.

Dr. Cooksey stated that she had fallen in love with the residents of Quincy and Gadsden County.

Dr. Cooksey stated that she and her staff are enjoying working alongside the Quincy leadership team during the pandemic.

Approval of Items for Consent by the Commission

1. Approval of Minutes of the December 8, 2020, Regular Meeting
 - Janice Shackelford, City Clerk
2. Approval of Minutes of the January 16, 2021, Special Meeting
 - Janice Shackelford, City Clerk
3. Human Resources Monthly Report
 - Jack L. McLean Jr., City Manager
 - Ann Sherman, Human Resources Director
4. Police Monthly Reports Traffic Report | Monthly Crime Report
 - Jack L. McLean Jr., City Manager
 - Glenn Sapp, Police Chief
5. Fire Monthly Reports (November and December)
Monthly Activity Report | District Calls | Quarterly Report | End of the Year Report
 - Jack L. McLean Jr., City Manager
 - Anthony Baker, Interim Fire Chief
6. Finance Monthly Reports (November and December)
P-Card Statements | Allocations | Arrearage Report | Cash Requirements | Financial Report
 - Jack L. McLean Jr., City Manager
 - Marcia Carty, Finance Director
7. Request to Renovate/Repair Corry Tennis Court
 - Jack L. McLean Jr., City Manager
 - DeCody Fagg, Parks and Recreation Director
8. Reorganization of Quincy Fire Department
 - Jack L. McLean Jr., City Manager
 - Anthony Baker, Interim Fire Chief
9. Fire Training Tower/Burn Building Status Update
 - Jack L. McLean Jr., City Manager
 - Anthony Baker, Interim Fire Chief

10.OMI/Jacobs Contract

- Jack L. McLean Jr., City Manager
- Robin Ryals, Utilities Director

11.Wolf Tree Cost Increase

- Jack L. McLean Jr., City Manager
- Robin Ryals, Utilities Director

12.North Substation Transformer Replacement and Associated Costs

- Jack L. McLean Jr., City Manager
- Robin Ryals, Utilities Director

13.Rostan Solutions, LLC Contractual Agreement, and Amendments

- Jack L. McLean Jr., City Manager
- Dr. Beverly Nash, Grant Writer

Summary of the Discussion by the Commission

Mayor Harris stated that next on the amended agenda are Items for Consent by the Commission.

Mayor Harris asked what the will and pleasure of the Commission were.

Mayor Harris recognized Commissioner Dowdell.

Commissioner Dowdell stated that he wished to pull item numbers 7, 9, 11, 12, and 13 for an update.

Mayor Harris recognized Commissioner Bass-Prieto.

Commissioner Bass-Prieto stated that she wishes to pull item numbers 3, 8, and 10.

Mayor Harris requested to pull item numbers 3, 7, 8, 10, 11, 12, and 13.

Mayor Harris asked what the will and pleasure of the Commission were.

Mayor Harris recognized Commissioner Dowdell.

Commissioner Dowdell offered a motion to approve the Items for Consent by the Commission, excluding items 3, 7, 8, 10, 11, 12, and 13.

Commissioner Bass-Prieto seconded the motion.

Commissioner	Vote
Commissioner Bass-Prieto	Yes
Commissioner Dowdell	Yes
Commissioner Canidate	Yes
Mayor Pro Tem Sapp	Yes

Mayor Harris	Yes
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The Motion Carried 5 to 0.

Mayor Harris stated that the first item pulled for discussion was item #3, the Human Resources Monthly Report.

Mayor Harris recognized Commissioner Bass-Prieto.

Commissioner Bass-Prieto stated that she had a couple of questions.

Commissioner Bass-Prieto stated that the December 2020 through January 2021 Human Resources Monthly Report lists Charles Hayes as the City Manager.

City Manager Jack L. McLean Jr. stated that Mr. Hayes was hired as the Procurement Manager and reports to him.

Commissioner Bass-Prieto stated that the same report lists a fire marshal that had not been funded.

Commissioner Bass-Prieto stated that she is aware of the funding requests.

Commissioner Bass-Prieto stated that the fire marshal position had already been approved before the Commission voted.

Commissioner Bass-Prieto stressed her concern regarding the number of police officers leaving QPD.

Commissioner Bass-Prieto stated that this is frightening.

Commissioner Bass-Prieto stated that the Commission should explore how the City can retain police officers.

Commissioner Bass-Prieto stated that this is all she had concerning item #3.

Mayor Harris recognized City Manager Jack L. McLean Jr.

City Manager Jack L. McLean Jr. stated that individuals are working out of classification in the fire department.

City Manager Jack L. McLean Jr. stated that he had not asked for funds for the fire marshal position.

City Manager Jack L. McLean Jr. stated an item listed on the agenda would address Commissioner Bass-Prieto's questions regarding the fire department.

Mayor Harris thanked the City Manager for his comments.

Mayor Harris asked what the will and pleasure of the Commission on the Human Resources Monthly report were.

Mayor Harris recognized Mayor Pro Tem Sapp.

Mayor Pro Tem Sapp offered a motion to accept the Human Resources Monthly report as listed.

Commissioner Dowdell seconded the motion.

Commissioner	Vote
Commissioner Bass-Prieto	Yes
Commissioner Dowdell	Yes
Commissioner Canidate	Yes
Mayor Pro Tem Sapp	Yes
Mayor Harris	Yes

The Motion Carried 5 to 0.

Mayor Harris stated that agenda item #7, request to Renovate/Repair Corry Tennis Court, is up for discussion.

Mayor Harris recognized Parks and Recreation, Director DeCody Fagg.

Mr. Fagg stated that several citizens had been asking about the repairs of the tennis court.

Mr. Fagg stated that, to his knowledge, the tennis court had not been repaired in 20 plus years.

Mr. Fagg stated that the tennis court is in bad shape.

Mr. Fagg stated that Coach Ross has an interest in teaching the youth how to play tennis.

Mr. Fagg stated that he had obtained two quotes on repairing the tennis court.

Mr. Fagg stated that the recommendation is to approve the lowest quote from North Florida Asphalt (\$14,650.00) and authorize the City Manager to execute the agreement.

Mayor Harris thanked Parks and Recreation Director DeCody Fagg and recognized Mayor Pro Tem Sapp.

Mayor Pro Tem Sapp asked if the preference was asphalt instead of synthetic.

Mr. Fagg described the difference between asphalt and synthetic.

Mayor Harris recognized Commissioner Bass-Prieto.

Commissioner Bass-Prieto stated that the quotes were one year and a half old.

Mr. Fagg stated that he called both companies last week, and the quotes are still valid.

Commissioner Bass-Prieto asked which line item the money would come from.

Mr. Fagg provided GL # 001-440-572-30391.

Mayor Harris recognized Commissioner Dowdell.

Commissioner Dowdell asked how much money was in the line item.

Mr. Fagg responded to Commissioner Dowdell's question, approximately \$18,000 - \$19,000.

Mr. Fagg stated that he spoke with Finance Director Marcia Carty after paying for a backdrop to amend the budget and transfer funds back into the line item to pay for the tennis court repairs.

With no further discussion, Mayor Harris asked what the will and pleasure of the Commission were.

Mayor Pro Tem Sapp offered a motion to approve option one quote from North Florida Asphalt (\$14,650.00) and authorized the City Manager to execute the agreement.

Commissioner Dowdell seconded the motion.

Commissioner	Vote
Commissioner Bass-Prieto	Yes
Commissioner Dowdell	Yes
Commissioner Canidate	Yes
Mayor Pro Tem Sapp	Yes
Mayor Harris	Yes

The Motion Carried 5 to 0.

Mayor Harris stated that the next item for discussion was item #8 reorganization of the Quincy Fire Department.

Mayor Harris recognized Interim Fire Chief Anthony Baker.

Interim Fire Chief Bridges stated that, because of his promotion to interim fire chief, two lieutenants received temporary promotions to the rank of captain. Two fire officers received temporary promotions to the position of lieutenant, and an existing captain was promoted to assistant chief/fire marshal.

Interim Fire Chief Bridges stated that the reorganization would promote lieutenants and firefighters to leadership positions and build the Fire Department mid-level supervisory/management capacity through on-the-job experience.

Interim Fire Chief Bridges stated that he plans on building a volunteer stipend-incentive package to increase the number of volunteer firefighters to the QFD.

Interim Fire Chief Bridges stated that the cost for the program to add temporary positions is \$24,000.

Interim Fire Chief Bridges stated that the cost would be to reimburse volunteers for actual out-of-pocket expenses.

Interim Fire Chief Bridges stated that he had spoken with fire chiefs in neighboring counties regarding starting a volunteer firefighter program.

Interim Fire Chief stated that the neighboring fire chiefs are excited about the new program.

Interim Fire Chief Bridges stated that he is confident that the program would work.

Interim Fire Chief Bridges stated that he recommended option one, the Fire Department's reorganization for eight months and approval of the estimated funding cost of \$24,000.

Mayor Harris thanked Interim Fire Chief Bridges and recognized Commissioner Dowdell.

Commissioner Dowdell asked if the \$24,000 would be added to the Fire Department's current budget.

City Manager Jack L. McLean Jr. stated the \$24,000 are already in the current budget.

Finance Director Marcia Carty stated that the \$24,000 are in the current budget, and funds budgeted in the Fire Department are not spent at the rate budgeted.

Finance Director Marcia Carty stated that there is enough money to accomplish the Fire Department's reorganization.

Finance Director Marica Carty stated that there might be salaries and an unfilled position, accounting for the excess funds in the Fire Department's budget.

Finance Director Marcia Carty stated that there would be no allocation of \$24,000.

Commissioner Dowdell questioned whether budget transfers should occur first before voting on the reorganization.

Finance Director Marcia Carty stated that there is no need for a budget transfer to accommodate the Fire Department's request.

Finance Director Marcia Carty stated that the \$24,000 are coming from salaries.

Finance Director Marcia Carty stated that the budget amendment would address new items not known when the budget was approved.

Mayor Harris recognized Commissioner Bass-Prieto.

Commissioner Bass-Prieto asked what was being appropriated if the \$24,000 are already in the line items under salaries.

Finance Director Marica Carty stated that, to achieve the Fire Department's re-organizational goal, the \$24,000 under the salary line item would be affected.

City Manager Jack L. McLean Jr. stated that the volunteer program would be for eight months.

City Manager Jack L. McLean Jr. stated that the volunteer program would assist the Fire Department in becoming fully staff.

City Manager Jack L. McLean Jr. stated that the concept is to expose the younger firefighters to leadership roles.

City Manager Jack L. McLean Jr. stated that leadership is in place to move the volunteer firefighter program forward.

City Manager Jack L. McLean Jr. stated that he expects the program would work.

Mayor Harris recognized Commissioner Dowdell.

Commissioner Dowdell stated that it would not be right if the program does not work and individuals are placed back into their regular duties.

Commissioner Dowdell asked how to promote temporarily.

City Manager Jack L. McLean Jr. reiterated that the firefighters are working outside of classification.

Mayor Harris recognized Mayor Pro Tem Sapp.

Mayor Pro Tem Sapp stated that the volunteer firefighter program is a perfect example of Bishop Green's statement of the community working together.

Mayor Pro Tem Sapp stated that she believes the program would be successful.

With no further discussion, Mayor Harris asked what the will and pleasure of the Commission were.

Mayor Harris recognizes Mayor Pro Tem Sapp.

Mayor Pro Tem Sapp offered a motion to approve option one, the Fire Department's re-organization for eight months, and approval of the estimated funding cost of \$24,000.

Commissioner Canidate seconded the motion.

Mayor Harris recognized Commissioner Dowdell.

Commissioner Dowdell asked, after the eight months is over, will the salaries stay the same.

Commissioner Dowdell asked what the City's finances would look like if the City Manager gives out additional raises.

Commissioner Dowdell stated that he is concerned about the City's finances.

Commissioner Dowdell stated that he and the City Manager talked about the City's finances.

Commissioner Dowdell stated that the City is doing a lot of spending, and no one had shared where all this money is coming from.

City Manager Jack L. McLean Jr. stated that, at the end of the eight months, the City would be in a new fiscal year and would investigate where the funds would come from.

City Manager Jack L. McLean Jr. stated that, when each Commission meets with the auditor, concerns would be address.

City Manager Jack L. McLean Jr. stated that he wants the Commission to be comfortable with the numbers.

Commissioner	Vote
Commissioner Bass-Prieto	No
Commissioner Dowdell	No
Commissioner Canidate	Yes
Mayor Pro Tem Sapp	Yes
Mayor Harris	Yes

The Motion Carried 3 to 2.

Mayor Harris stated that the next item up for discussion was #9, Fire Training/Burn Building Status Update.

Mayor Harris recognized Interim Chief Baker.

Interim Chief Baker stated that the Fire Training/Burn Building is completed and up to date.

Mayor Harris recognized City Manager Jack L. McLean Jr.

City Manager Jack L. McLean Jr. complemented Interim Chief Baker for doing an outstanding job.

Mayor Harris stated that the next item up for discussion was #10, OMI/Jacob Contract.

Mayor Harris recognized Commissioner Dowdell.

Commissioner Dowdell asked what the amount of the increase was.

Utilities Director Robin Ryals stated 2.15%.

Mayor Harris recognized Commissioner Bass-Prieto.

Commissioner Bass-Prieto asked if the increase covered the \$10,000.

David Presnal, Project Manager from OMI/Jacob, stated that the \$10,000 does not cover the increase, but the 2.15% are incorporated into the budget.

Commissioner Bass-Prieto stated that a letter from Jacob dated July 2020 should have come before the Commission during the budget process.

City Manager Jack L. McLean Jr. stated that there would not be a vote on the \$10,000.

With no further discussion, Mayor Harris asked what the will and pleasure of the Commission were.

Mayor Harris recognized Commissioner Bass-Prieto.

Commissioner Bass-Prieto offered a motion to accept the 2.15% increase without adding the \$10,000.

The motion died for lack of a second.

Mayor Harris asked what were the will and pleasure of the Commissioner.

Mayor Harris recognized Mayor Pro Tem Sapp.

Mayor Pro Tem Sapp offered a motion to sign the amendment contract presented as is and move forward with the contract.

Mayor Harris seconded the motion.

Commissioner	Vote
Commissioner Bass-Prieto	No
Commissioner Dowdell	No
Commissioner Canidate	Yes
Mayor Pro Tem Sapp	Yes
Mayor Harris	Yes

The Motion Carried 3 to 2.

Mayor Harris stated that the next item for discussion was item #11, the Wolf Tree Cost Increase.

Mayor Harris recognized Utilities Director Robin Ryals.

Mr. Ryals stated that Wolf is asking for a 3% increase.

Mr. Ryals stated that Wolf maintains expensive and large equipment that is costly.

Mr. Ryals stated that, as the cost of living and wages arises, contracts are amended to assure the valuable service performed is compensated according to cost of living wages.

Mr. Ryals stated that Wolf does not have a large representation in Gadsden County and does provide excellent service.

Mayor Harris recognized Commissioner Dowdell.

Commissioner Dowdell stated that everyone is asking for an increase.

Commissioner Dowdell asked how long Wolf had been with the City.

Mr. Ryals stated since Hurricane Michael.

Mayor Harris recognized Commissioner Bass-Prieto.

Commissioner Bass-Prieto asked if the City had a contract with Wolf.

Mr. Ryals stated that the City is piggybacking off Tallahassee's contract.

Mr. Ryals stated that the City would, at some point, need to get its own contract.

Commissioner Bass-Prieto stated that this had never gone to bid.

Commissioner Bass-Prieto questioned if the increase was covered in the budget.

Finance Director Marica Carty stated that this would require a budget amendment of approximately \$20,000.

Commissioner Bass-Prieto stated that these funds are apart of the Hurricane Michael surcharge the citizens are paying for.

City Manager Jack L. McLean Jr. suggested tabling the item for a later date.

City Manager Jack L. McLean Jr. stated that he would speak with Wolf about the City's need to keep working.

With no further discussion, Mayor Harris asked what the will and pleasure of the Commission were.

Mayor Pro Tem Sapp offered a motion to table the Wolf tree Cost increase.

Commissioner Dowdell seconded the motion.

Commissioner	Vote
Commissioner Bass-Prieto	Yes
Commissioner Dowdell	Yes
Commissioner Canidate	Yes
Mayor Pro Tem Sapp	Yes
Mayor Harris	Yes

The Motion Carried 5 to 0.

Mayor Harris stated that the next item up for discussion was #12, the North Station Transformer Replacement and Associated Costs.

Mayor Harris recognized Commissioner Bass-Prieto.

Commissioner Bass-Prieto questioned why there were only two bids.

Utilities Director Robin Ryals stated that he had received more after the agenda deadline.

Utilities Director Robin Ryals stated that one company had to rebid.

Utilities Director Robin Ryals stated that he was working to put together a schedule calendar to present to the Commission.

Utilities Director Robin Ryals stated that his department's assistance in the transformers set-up would save the City approximately \$30,000.

Utilities Director Robin Ryals stated that a large transformer is scheduled to be delivered on February 9.

Utilities Director Robin Ryals stated, once the first transformer is up and running, he would schedule the other.

Utilities Director Robin Ryals provided GL's 403 520 531 303 431 and 403 520 531 303-43 contractual and professional services line items.

Mayor Harris recognized Mayor Pro Tem Sapp.

Mayor Pro Tem Sapp thanked Mr. Ryals for his presentation.

Mayor Pro Tem Sapp stated that she was pleased to see that the transformers are going up.

Mayor Pro Tem Sapp stated that the Commission must trust those in leadership positions.

Mayor Pro Tem Sapp offered a motion to authorize the Utilities Department to proceed with the plan provided with expenses that occurred in contracting with the Crane Operator selected after all bids are in.

Mayor Harris seconded the motion.

Commissioner	Vote
Commissioner Bass-Prieto	No
Commissioner Dowdell	Yes
Commissioner Canidate	Yes
Mayor Pro Tem Sapp	Yes
Mayor Harris	Yes

The Motion Carried 4 to 1.

Mayor Harris asked that the GL numbers be added to the agenda packets.

Mayor Pro Tem Sapp reminded the Commission that the Mayor asked to email questions to the City Manager before the Commission Meeting.

Mayor Pro Tem Sapp urged Commissioners to please consider the amount of time spent on each agenda item.

Mayor Harris stated that he desires to get staff to answer all questions before the meeting, and then once we come to the meeting, discussions should be between the Commission and an action taken.

Commissioner Bass-Prieto stated that she emailed her questions and had not gotten an answer to them.

Mayor Harris stated that the next item up for discussion was #13, Rostan Solutions, LLC Contractual Agreement and Amendments.

Mayor Harris recognized Commissioner Dowdell.

Commissioner Dowdell asked what Rostan Solutions was.

Mayor Harris recognized Grant Writer Dr. Beverly Nash.

Dr. Nash stated that Rostan Solutions had been facilitating public assistance services for the City since Hurricane Michael.

Dr. Nash stated that the agenda item was to renew the contract to complete the projects remaining associated with Hurricane Michael.

Dr. Nash stated that there are two projects on the books associated with Hurricane Michael.

Dr. Nash stated that one project is the fiber optic and the other is contractual services (reimbursement of Rostan Solutions fees).

Dr. Nash stated that there had been two declarations - Hurricane Sally and the CARES Act (Covid-19).

Dr. Nash stated that three declarations are totaling \$150,000.

Commissioner Dowdell asked if this was money that the City had to payout.

Dr. Nash stated that this would be cost reimbursement through FEMA.

Commissioner Dowdell asked where the money was coming from.

Dr. Nash stated that the funds would come from Hurricane Michael.

Dr. Nash stated that the administrative costs would be at least \$100,000, due to FEMA requirements and the job's complexity.

Dr. Nash stated any monies spent on these projects would be reimbursed and placed back into the budget.

With no further discussion, Mayor Harris asked what the will and the pleasure of the Commission were.

Commissioner Canidate accepted and offered a motion to table item #13, Rostan Solutions, LLC Contractual Agreements, and Amendments.

Mayor Pro Tem seconded the motion.

Commissioner Canidate withdrew her motion.

Mayor Pro Tem Sapp seconded the motion.

Mayor Harris recognized Commissioner Bass-Prieto.

Commissioner Bass-Prieto asked if there were time-sensitive items that required addressing.

Dr. Nash responded that some items required immediate attention.

Commissioner Bass-Prieto stated that she had an issue with charging citizens for Hurricane Sally when they are already paying for Hurricane Michael.

Commissioner Bass-Prieto stated that there are not enough funds in the GL line to cover Hurricane Sally and Michael.

Finance Director Marica Carty stated that this would require a budget amendment.

Mayor Harris recommended again to table this agenda item.

Mayor Pro Tem Sapp offered a motion to table agenda item #13, Rostan Solutions, LLC Contractual Agreement and Amendments, and set an emergency meeting.

Commissioner Canidate seconded the motion.

Commissioner	Vote
Commissioner Bass-Prieto	Yes
Commissioner Dowdell	Yes
Commissioner Canidate	Yes
Mayor Pro Tem Sapp	Yes
Mayor Harris	Yes

The Motion Carried 5 to 0.

Public Hearings and Ordinances as Scheduled or Agendaed

None

Public Opportunity to Speak on Commission Propositions – (Pursuant to Sec.286.0114, Fla. Stat. and subject to the limitations of Sec. 286.0114(3)(a), Fla. Stat.)

None

Reports, Requests, and Communications by the City Manager

14. Dewberry Engineers Rural Infrastructure Grant
 - Jack L. McLean Jr., City Manager
 - Dr. Beverly Nash, Grant Writer

15. Request for Full-Time Human Resources Position

- Jack L. McLean Jr., City Manager
- Ann Sherman, Human Resources Director

Summary of the Discussion by Staff and the Commission

Mayor Harris stated that the next item under reports by the City Manager was item #14, Dewberry Engineers Rural Infrastructure Grant.

Mayor Harris recognized Grant Writer Dr. Beverly Nash.

Dr. Nash stated that it was part one of the economic development grant the Commission approved.

Dr. Nash stated that it was the infrastructure feasibility study by Dewberry.

Dr. Nash stated that the grant was for \$149,950.

With no further discussion, Mayor Harris asked what the will and pleasure of the Commission were.

Mayor Pro Tem Sapp stated that Beth Kirkland mentioned this grant in her presentation.

Mayor Harris recognized Commissioner Bass-Prieto.

Commissioner Bass-Prieto asked which GL Number the funds would be taken from.

Dr. Nash stated GL #001-366-10003.

City Manager Jack L. McLean Jr. stated that Dewberry is required to spend the first dollar.

With no further discussion, Mayor Harris asked what the will and pleasure of the Commission were.

Mayor Pro Tem Sapp offered a motion to vote to approve option one, the scope of work and task orders from Dewberry Engineering for \$149,950.00 and authorized the Mayor and/or the City Manager to sign the scope of work and task orders.

Commissioner Dowdell seconded the motion.

Commissioner	Vote
Commissioner Bass-Prieto	Yes
Commissioner Dowdell	Yes
Commissioner Canidate	Yes
Mayor Pro Tem Sapp	Yes
Mayor Harris	Yes

The Motion Carried 5 to 0.

Mayor Harris stated that the last agenda item was #15, requesting a Full-time Human Resources Position.

Mayor Harris recognized Human Resources Director Ann Sherman.

Ms. Sherman stated there were concerns among the citizens and Commission on the many unanswered phone calls.

Ms. Sherman stated that our current phone system of routing calls is not meeting citizens' expectations.

Ms. Sherman stated that there is a need for this new position.

Ms. Sherman stated that the City had an operator routing calls to the appropriate department.

Ms. Sherman stated that the operator provided administrative support to personnel during lunch hours and breaks.

Ms. Sherman stated that this position expands the duties and responsibilities of an operator position.

Ms. Sherman stated that this position would allow the Customer Service t to make courtesy calls and maintain a customer contact database, perform analysis, and interact with social service agencies.

Ms. Sherman stated that the County Cares Act program would not have been successful had this task been given to an employee with other duties.

Ms. Sherman stated that the individual given this task did an exceptional job contacting 70 plus individuals.

Ms. Sherman stated that the City collected \$20,000, because of this individual's assistance.

Ms. Sherman stated that she had an individual in mind to place in this position.

Ms. Sherman stated that the individual could not perform his duties in the Public Works but had been of great help to Human Resources and the Customer Service.

Mayor Harris stated to Ms. Sherman that she had done an excellent job selling the position.

Mayor Harris questioned who was going to answer the phones.

Mayor Harris stated that the job description outlined is a job itself.

Mayor Harris stated that he needs someone to answer the phones in City Hall between 8 am – 5 pm.

Mayor Harris stated that he does see the value in having more people in customer service.

Mayor Harris stated that it is not a good look for citizens to call City Hall and no one picks up.

Mayor Harris recognized Commissioner Dowdell.

Commissioner Dowdell stated that, tonight, the City had voted to spend almost half a million dollars.

Commissioner Dowdell stated that some budgeted and some not budgeted.

Commissioner Dowdell stated that the City is placing itself in a deep financial bind.

Commissioner Dowdell stated that the budget was balanced off non-recurring funds.

Commissioner Dowdell questioned, that a year from now, where would the money come from by adding positions to the budget.

Commissioner Dowdell stated that he was against adding another position.

Commissioner Dowdell stated that there must be a position in customer service already in the budget.

Mayor Harris recognized Commissioner Canidate.

Commissioner Canidate stated that she agrees with Commissioner Dowdell regarding adding a new position to the budget.

Commissioner Canidate asked how many people worked in Customer Service.

Ms. Sherman responded that there are three individuals currently working in the Customer Service.

Commissioner Canidate asked if these individuals could incorporate the new position in their job duties.

Ms. Sherman stated they could not.

Ms. Sherman invited the Commission to visit the Human Resources and Customer Service departments to see how busy these departments are.

Mayor Harris recognized Commissioner Bass-Prieto.

Commissioner Bass-Prieto stated that she feels that the person filling the added position would not answer the phones; thus, the phones would continue to go unanswered.

Commissioner Bass-Prieto stated that it does not look right when we have an individual in mind without creating an FTE.

Commissioner Bass-Prieto stated that any position created should be open and competitive.

Ms. Sherman stated that she was referring to a City employee unable to perform his regular duties because of an injury.

Mayor Pro Tem Sapp asked if the individual would spend 100% answering the phones.

Ms. Sherman stated that she could not guarantee that the individual would be 100% answering the phones.

Mayor Harris stated that he is looking for that one number when placing a call to City Hall, and someone answers the phone who can route the call to the proper department, answer the question, or take a message.

With no further discussion, Mayor Harris asked what the will and pleasure of the Commission were.

Mayor Pro Tem Sapp offered a motion to approve option one, the new full-time position as requested.

Mayor Harris seconded the motion.

Commissioner	Vote
Commissioner Bass-Prieto	No
Commissioner Dowdell	No
Commissioner Canidate	No
Mayor Pro Tem Sapp	Yes
Mayor Harris	Yes

The Motion Failed 3 to 2.

Mayor Harris recognized Commissioner Keith Dowdell.

Commissioner Dowdell recommended that the City Manager look for a phone system that would accommodate City Hall's needs.

Commissioner Dowdell stated that he would not vote for any spending until proven that the City is not in a financial bind.

Reports by Boards and Committees

None

Other Items Requested to Be Amended by Commission Member(s), the City Manager, and Other City Officials

None

Comments by the City Staff

- **City Manager Jack L. McLean Jr.**
 - Stated that the Hamilton Street Improvement Project was completed as of January 4, 2021.
 - Stated that the project was completed 20 days early.

Comments by Staff and the Commission

- **City Clerk Janice Shackelford**

- None

- **City Attorney Gary Roberts**

- None

- **Commissioners**

- **Commissioner Bass-Prieto**

- Stated that the trash in her district and throughout the City is terrible.
- Stated the code enforcement follow-up is needed on the property she spoke to Mr. McLean about.
Stated that she is concerned that not one penny has gone into reserves or towards the \$500,000 loan.
- Stated that we promise our citizens \$3 million in reserves.
- Stated that the City is getting to the end of the Hurricane allotments, and she desires to make sure the finances are more equitable, and that promises made are kept.
- Questioned what will happen when the minimum wage is raised to \$15 per hour, and there are no more allotments, which will affect our payroll.
- Wished those suffering with Covid a speedy recovery and encouraged everyone to please wear your mask.

- **Commissioner Dowdell**

- None

- **Commissioner Canidate**

- None

- **Mayor Pro Tem Sapp**

- Thanked everyone for their presentation.
- Thanked the Commission for all that was accomplished.
- Stated that the trash is terrible throughout the City and in her district.
- Recognized individuals who had passed from Covid.
- Recognized Mrs. Mary Elizabeth Bradley's passing.

- **Mayor Harris**

- Stated that Bishop Green's message was reviving.
- Stated that he appreciates the work the Commission does.
- Stated that he would continue pushing forward to make Quincy a better place to live.
- Challenged the City Manager to meet with Commissioner Dowdell to ease his concern that the City is not in financial trouble.
- Stated that he is committed to creating a level of transparency.
- Stated that Commissioner's Bass-Prieto and Dowdell should not feel the way they do regarding the City's finances.
- Stated that the Commission does not always agree but should agree on the process that goes into making the decision.

Comments from the Audience

None

There being no further business to discuss. The adjournment was motioned by Mayor Pro Tem Sapp and seconded by Mayor Harris at 10:23 pm.

Please Note: The City Commission places the official copies of Commission Meeting Minutes on file with the City Clerk's Office upon approval.

Submitted by Janice Shackelford, City Clerk

APPROVED:

Ronte Harris, Mayor and Presiding
Officer of the City Commission and
of the City of Quincy, Florida

ATTEST:

Janice Shackelford Clemons, City Clerk per
Clerk of the of Quincy, Florida
Clerk of the City Commission thereof

Crane Service for North Substation Transformer

**CITY OF QUINCY
CITY COMMISSION
AGENDA REQUEST**

MEETING DATE: February 9, 2021

DATE OF REQUEST: February 1, 2021

TO: Honorable Mayor and Members of the City Commission

FROM: Jack L. McLean Jr., City Manager
Robin Ryals, Utilities Director

SUBJECT: Request for Crane Services

Statement of Issue:

On February 9, 2021 Utilities Department will receive one of the new transformers that was ordered from Howard Industries for the Quincy North Substation. Staff pursued several vendors to obtain quotes for the cost to remove the old decommissioned transformers and install the new transformer with a crane.

Background:

Utilities Department received quotes from 3 vendors for the removal of the old transformers and installation of the new transformer. All vendors seem to have good knowledge of what Utilities Department need done. However, Sims Crane and Equipment has experience working on substations with Florida Power and Light and Duke Energy. Staff feels more comfortable hiring the more experienced crane service company that has worked with other Utility Transmission Supply Chain.

Quotes received were:

- Sims Crane and Equipment for \$18,753
- Southway Crane for \$18,191
- Deep South Crane for \$23,677

Although Sims Crane and Equipment did not submit the lowest quote, the difference in price is only \$562.

Southway Crane did not specify that they had prior substation references. Deep South Crane indicated that they have done work for Gulf Power. Sims Crane and equipment indicated that they have experience with Florida Power and Light and Duke Energy.

Staff Recommendation:

Staff recommends hiring Sims Crane and Equipment to perform the removal of the old transformers and install the new transformer with a crane.

Options:

- Option 1: Authorize Staff to hire Sims Crane and Equipment for \$18,753 because of their previous experience with Duke Energy and Florida Power and Light which may prove value above the \$562 cost difference.
- Option 2: Authorize Staff to accept the lowest bid price and hire Southway Crane for \$18,191.

Recommended Option:

Option 1

ATTACHMENTS:

- Quote from Sims Crane and Equipment
- Quote from Southway Crane
- Quote from Deep South Crane



Quote : 133434
1/29/2021

Customer

CITY OF QUINCY
404 W JEFFERSON ST
QUINCY
FL 32351

Job Site

[Billing Address]
404 W JEFFERSON ST
QUINCY
FL 32351

Report To : **MICHAEL PENNINGTON**

Ordered By

MICHAEL PENNINGTON
MPENNINGTON@MYQUINCY.NET

Cell: (850) 528-5630
Office:

Sims Representative

Tallahassee Dispatch

Job Date: 02/08/2021

Job Time: 08:00 AM

Ending Date: 02/09/2021

Ending Time: 05:00 PM

P.O:

Checked By:

Taken By:

Back:

Up:

In:

Radius: 50

Heaviest Pick: 77,000

Description of Work: REMOVE OLD TRANSFORMER/ REPLACE NEW ONE

Equipment Required: GMK 5240
154,300 LB OF CWT
105 FT MB
MATTING

Comments: **CRANE HAS 8 HR MIN PER DAY**

Item Description	Quantity	Unit Meas	Rate	Amount
240 Ton All Terrain Crane Operated Rental Hourly TIME STARTS ONCE CRANE IS HOOK READY	16.00	Hr Minimum	\$535.00	\$8,560.00
Mobilization COVERS TRAVEL AND ERECTION OF CRANE	1.00	Each	\$4,250.00	\$4,250.00
De-Mobilization COVERS DEMOB OF CRANE AND TRAVEL BACK	1.00	Each	\$4,250.00	\$4,250.00
Operator & Oiler (Crew) Overtime AFTER 8 OR ON SATURDAYS	0.00	Hour	\$80.00	\$0.00
Operator & Oiler (Crew) Doubletime SUNDAYS OR HOLIDAYS	0.00	Hour	\$160.00	\$0.00
Mats Rental Daily TIMBERS	8.00	Each	\$100.00	\$800.00
Regulatory Compliance Fee	1.00	Each	5.00%	\$893.00
Estimated Minimum Total:				\$18,753.00

****Quote valid for 30 days-Subject to confirmed acknowledgement of availability at time of order****

TAMPA-ORLANDO-MULBERRY-VERO BEACH-MIAMI-FT MYERS-JACKSONVILLE-OCALA-
WEST PALM BEACH-SPACECOAST-TALLAHASSEE



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1/29/2021

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Cell: (850) 528-5630
Office:

Sims Representative

Tallahassee Dispatch

Terms & Conditions:

Operated Cranes - Terms and Conditions

Monthly quote is based on an eight (8) hour minimum day, Monday Thru Friday, 40 hours per week, and 160 hours per month.

A minimum hourly charge applies to all cranes. All hours in addition to the minimum are billed in 30-minute increments.

Overtime charges are in addition to our hourly rate, per quote as follows:

1. **Overtime** = Time and ½ per man.
2. **Double-Time** = Time double time per man.

Time and ½ (**OTA**) =

All hours Monday through Friday before 6:00 AM or after 5:00 PM.

All hours Monday through Friday worked over 8 hours per day.

All hours Monday through Friday worked through lunch period.

All hours worked Saturdays.

Double-Time = All hours worked Sundays and recognized holidays.

All operated cranes include labor, fuel, maintenance, insurance and ****Basic Rigging Accessories****

****Basic Rigging Accessories included with operated crane** (4) 1" shackles, (4) 10' x 5/8" chokers.**

All rigging accessories not carried by cranes must be requested at time of rental.

Special required rigging accessories not carried by Sims are to be supplied by customer or billed to the Customers account.

Customer supplied rigging will be of domestic material and subject to approval by the Customers designated lift director.

Rigging accessories that cannot be transported on the crane will require additional transportation charge (buckets, spreader bars, man baskets, etc.)

Crane time including all travel and job time applies to the minimum and may exceed the quoted minimum charge based on total actual hours. All cranes are subject to a Daily minimum rental charge based on the crane type or size and the workday scheduled.

Portal to Portal - Actual time billed from Sims yard to job and job to Sims yard. Crane time including all travel and job time applies to the minimum and may exceed the quoted minimum charge based on total actual hours. All cranes are subject to a Dailey minimum rental charge based on the crane type or size and the workday scheduled. Hydraulic truck cranes rated over 60 tons that require additional assist trucks to carry crane components for DOT weight restrictions are billed in addition to crane travel time. Assist trucks (as needed) will be billed as **Counterweight truck in** and **Counterweight truck out** per quote based on travel time and distance. Crane time including all travel and job time applies to the minimum and may exceed the quoted minimum charge based on total actual hours. All cranes are subject to a Dailey minimum rental charge based on the crane type or size and the workday scheduled. Erection time, dismantle time, positioning of crane, delay and waiting time is billed hourly as work time.

Mobilization/Demobilization - Conventional truck cranes, crawler cranes, and larger hydraulic cranes may be quoted flat rates for freight in and erect ("mobilization") and dismantle and freight out ("de-mobilization"). Hourly rates are to start when crane is fully erected. Positioning crane after erected and/or moving to lay down area after job stops is on hourly rate. This proposal allows for one hour of on-site truck time during erection. Any delays caused by parties, other than Sims Crane will be billed at our published rate schedule including applicable overtime, or quoted rates in this proposal.

Delivery/Pick Up - Rough terrain hydraulic cranes transportation will be quoted **Delivery** and **Pick Up** charges to and from the job based on size of crane and distance.



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1/29/2021

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Sims Representative

Tallahassee Dispatch

Rental rate starts after delivery and ends the day the crane is racked up and ready for pick up.

DOT Compliance - Curfew time for night, weekend and holiday travel restrictions will be billed at our published rate schedule including applicable overtime, or quoted rates in the proposal.

Regulatory Compliance Surcharge (RCS) - an additional **7% surcharge** applied to all equipment and labor charges. RCS covers the increasing cost of Governmental, Entity Specific and Contractual Regulations. I.e. cost associated with Safety and Training cost as well as OSHA, MSHA, FDOT, Port Authority, NCCCCO, EPA.

Layover (jobs lasting more than one day) charges apply:

1. Cranes must work to end of work day or a minimum of 8 hours to be left on the job site.
2. Cranes left on jobs for following day must start work by 8:00 am.
3. Crane charges for succeeding days will be charged at applicable minimum for crane size.
4. In addition to crane time, labor charges for operator or operator and oiler travel time will be charged actual time from job to yard on first day and from yard to job on last day.

All Customer Required Job Orientation (including security clearances, drug screening, and employees time/travel, etc.) cost will be billed as an extra to the customer's account at our published hourly labor rate per man per hour.

Inclement weather charges (rain, lightning, or excessive wind) daily, hourly taxi rental will be billed by rounding upwards to the next hour at the applicable hourly rates for all equipment and labor. Any equipment canceled after dispatched will be charged at 50% of the minimum rental or actual time to and from job as proposal time if the actual time is greater than half the minimum charge. Weekly and monthly rental cranes that are left on job after canceled due to inclement weather will be charged for actual time worked and labor charges for operator or operator and oiler travel time from and to job on the following work day.

Cancellation - Jobs canceled within 24 hours of confirmed schedule services will be subject to 50% of applicable minimum charge for the equipment and cost incurred (loading, unloading, truck staging, permits, MOT etc.) whichever is greater.

Projects that get canceled when in route or onsite will be billed at the applicable minimum charge for the equipment.

Please note that emails, text messages or voicemails left do not constitute a cancellation unless a member of our team has replied in writing to you that cancellation has been received.

Customer responsibilities:

1. Provide designated certified flagman per OSHA requirements.
2. Provide designated certified riggers to rig (hook up load) tag line and (if necessary) land and unhook the load per OSHA requirements.
3. If applicable, provide aviation, street closure, MOT or special work permits.
4. Crane shall be supplied with operator, fuel, maintenance, insurance, full operated crane to the hook. Additional and optional rigging hardware and accessories shall be quoted separately and the customer shall be responsible for up keep, inspection and inventory. All **rigging** not returned in **usable** condition at job end will be **billed** to the customer's account including lost, kinked, cut or excessively worn chokers, nylons, shackles, or related hardware. All concrete buckets are to be returned cleaned, excessive concrete build-up in and on buckets will be charged to customer's account.



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1/29/2021

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Tallahassee Dispatch

5. Contractor to provide stable, compact ground access without delay and free of obstructions for assembly/disassembly as well as compacted road for the crane to travel and work. Customer must be in **compliance with OSHA 1926.1402**. **Sims Crane** will not be held responsible for damage to underground structures, voids or utilities, or for damage to concrete or asphalt not specifically identified in advance. Protection of identified underground items, concrete or asphalt must be agreed to by all parties, in advance, in writing.

6. Rental quotation is valid for (30) days from date of quotation. Equipment is subject to availability at time an order is accepted.

7. Terms of payment shall be net due upon receipt delinquent at thirty (30) days. After thirty (30) days interest will be applied at the rate of 1 ½% per month. No retainage shall apply to our services.

All payments are due and payable to the lockbox address below:

Sims Crane & Equipment Co. Dept. 9890, PO Box 850001, Orlando, FL 32885-9890

8. **VENUE AND WAIVER OF JURY TRIAL** - BOTH PARTIES HEREBY WAIVE THEIR RIGHTS TO A JURY TRIAL IN ANY AND ALL DISPUTES OR CLAIMS ARISING OUT OF OR IN RELATION TO THIS AGREEMENT.

The Contract and any Disputes arising therefrom, shall be governed by, construed and enforced in accordance with the Laws of the State of Florida in Hillsborough County.

9. **QUOTE TERMS AND CONDITIONS** - Terms and conditions of the rental quote shall be included in and part of any purchase order, etc. (if the proposal is accepted).

(Revision 5/19/17)

**Quote**

Date: January, 28 2021

Page 1 of 3

Job Dates: 2/8/2021 - 2/9/2021

Quote**TAC-148317**

Customer : City of Quincy
404 West Jefferson Street
Quincy, FL 32351

Contact : Mike Pennington

Phone : (850) 528-5630

Fax :

Email : mpennington@myquincy.net

Job Site : Substation
1006 North Adams Street
Quincy, FL 32351

Salesperson : Phillips, Daniel

Phone : (850) 815-2310

Fax : (850) 841-1266

Email : dphillips@southwaycrane.com

Estimate is valid for 30 Days from Quote Date

Item Description	Quantity	Unit Meas	Rate	Amount
IN & UP Travel & Building	2.00	Hours	\$475.00	\$950.00
250T AT/TRUCK CRANE AND OPERATO 2x8 hour days per customer (8hr minimum per day)	16.00	Hours	\$475.00	\$7,600.00
OVERTIME (80T-275T) per hour additional (after 8 hours or 4pm M-F, All Saturday)	0.00	Hours	\$70.00	\$0.00
C/W TRANSPORTATION Counterweights In/Out (4 loads) \$500 each way per load	8.00	Each	\$500.00	\$4,000.00
PERMITS (210T-300T) DOT Permits	1.00	Each	\$325.00	\$325.00
DOWN & OUT Dismantle & Travel	2.00	Hours	\$475.00	\$950.00
MATS Delivery & Pickup of Mats (Customer to offload/set with their skid steer)	1.00	Weeks	\$3,500.00	\$3,500.00
FUEL SURCHARGE 5% of total amount	1.00	Percent	5.00%	\$866.25

Estimate**\$18,191.25****Scope of Work**

Remove Old Equipment and Replace New Transformer

Comments



Quote

Date: January, 28 2021

Page 2 of 3

Job Dates: 2/8/2021 - 2/9/2021

Quote

TAC-148317

Lift Info

Back from Struct	Up	In	Load Weight	76000
Radius 50	Boom Length	Jib	Counter Weight	
Allowable GBP	Misc			

ESTIMATE IS VALID FOR 30 DAYS FROM THE QUOTE DATE

-THE ABOVE "ESTIMATE" IS BASED STRICTLY ON ABOVE QUOTED UNIT PRICING. CUSTOMER SHALL BE RESPONSIBLE FOR THE FINAL AMOUNT INVOICED FOR WORK PERFORMED WHICH MAY EXCEED THE ABOVE ESTIMATE.

- ALL QUOTES ARE PORTAL TO PORTAL WITHIN OUR NORMAL OPERATING HOURS OF 7:00AM TO 3:00PM (MONDAY THROUGH FRIDAY)
- CRANES THAT ARE REQUESTED TO BE DELIVERED PRIOR TO THE JOB START DATE WILL BE ASSESSED A MINIMUM FOUR (4) HOUR CHARGE
- CRANES THAT CANNOT BE RETURNED TO OUR YARD DURING LEGAL DAYLIGHT HOURS PER DOT REGULATION WILL BE ASSESSED A MINIMUM FOUR (4) HOUR CHARGE FOR POST-JOB RETURN
- CUSTOMER IS RESPONSIBLE FOR INGRESS AND EGRESS OF ALL SOUTHWAY CRANE & RIGGING, LLC EQUIPMENT
- QUOTES DO NOT INCLUDE ANY APPLICABLE FEDERAL, STATE OR LOCAL TAXES - ANY APPLICABLE TAXES WILL BE THE RESPONSIBILITY OF THE CUSTOMER

The undersigned affirms that s/he is an Authorized Customer Representative and hereby accepts the terms of this Quote on behalf of the Customer name above and agrees that the attached Standard Terms and Conditions shall apply to all work performed by Southway Crane & Rigging, LLC "(Crane Company)".

Authorized Customer Representative:

Print Name _____ Signature: _____

Date: _____

Terms & Conditions

STANDARD TERMS AND CONDITIONS (FL_030120)

- Effective Date:** These terms and conditions, between the Lessor (referred to herein as "Crane Company") and the named Lessee (referred to herein as "Contractor"), shall apply to all work performed by Crane Company for Contractor including work performed pursuant to any quote ("Quote"), or invoice issued pursuant to a purchase order number ("PO#") by Crane Company to such Contractor ("Invoice"), and shall be binding on the parties upon "Acceptance" by the Contractor which is defined as the earliest to occur of the following: (i) Delivery (as defined in §3 below); (ii) the issuance of a PO# by the Contractor for work to be performed pursuant to a Quote (collectively, "Work"); or (iii) confirmation in writing by the parties of agreement to the terms of the Quote. Unless otherwise amended or mutually agreed to by the parties, this agreement shall be binding with respect to all Work performed for the Contractor for one year from the latest date of execution of the Daily Field Ticket by an Authorized Customer Representative or until the Work is completed, whichever is later. Contractor shall be responsible for the acts and/or omission of any third party hired or retained by Contractor with respect to any duties and/or responsibilities of Contractor hereunder that are delegated to any such third party and any liability arising therefrom shall be joint and several as to Contractor and such third party.
- Quote Estimate:** Unless otherwise stated, the "Estimate" stated on the Quote ("Estimate"); (i) is only applicable to Work performed by the Crane Company branch whose address appears in the Quote; (ii) is subject to availability at the time Acceptance; (iii) does not include applicable sales and use taxes; (iv) is based on weight, load, radius and special rigging specifications provided by Contractor to Crane Company; (+) is based on continuous operation with no delays caused by factors outside the control of Crane Company; and (v) is provided without a Jobsite inspection and is subject to the Jobsite Conditions set forth in §5. Upon Acceptance, the pricing terms quoted in the Quote shall be final subject to adjustments as outlined in these terms and conditions. For the avoidance of doubt, in the event the final amount invoiced for Work performed exceeds the Estimate, Contractor agrees that its approval of such Work by its signature on confirmatory documentation constitutes its agreement to amend the Quote to the extent thereof and Contractor shall be responsible for the final amount invoiced.
- Delivery:** As used herein, "Delivery" is the earliest date on which Crane Company (i) takes possession of Contractor's equipment for purposes of performing the Work; (ii) arrives at the Contractor's Job Location ("Jobsite") with its equipment (collectively, "Equipment" which includes crane, rigging, and/or related accessories listed in the Quote) in preparation for the performance of the Work. Contractor acknowledges and agrees that Crane Company's possession of Contractor's Equipment is solely for the benefit and convenience of Contractor and that between the time when such Equipment is delivered to Crane Company and until such time the Equipment is installed, the Equipment shall be held by Crane Company at the sole risk and responsibility of Contractor for loss, theft, destruction of such Equipment and/or for any damage incurred by Contractor or Crane Company arising out of such possession, in whole or in part, whether with or without fault on the part of Crane Company. Further, in the event such Contractor Equipment is held by Crane Company for any period greater than 48 hours, Crane Company shall have the right to charge Contractor a storage fee which shall be included as part of the price for the Work.
- Payment:** All payments will be due thirty (30) days after the date of each Invoice. All payment shall be paid and delivered to the address designated by Crane Company on the face of the Invoice. Past due amounts plus any unpaid interest shall bear interest at 1.5% per month or to the maximum amount allowable under law.
- Jobsite Conditions-Ground/Powerlines/Rigging:** Contractor shall provide appropriate Jobsite clearance and access as necessary for Crane Company's performance of the Work, including but not limited to, appropriate staging area for crane pre/post rig up/down. Contractor shall be solely responsible for costs and/or damages caused by or arising out of delays to the Work due to inadequate Jobsite conditions. Contractor hereby agrees that it will assume all responsibility for the ground or soil conditions in the area where the crane is to be stored, parked or operated. The Contractor shall perform or have performed all necessary inspections or testing to determine the nature of the ground or soil and its ability to support the crane while in operation or otherwise. If the ground or soil condition is such that it cannot support the crane, the Contractor shall take all necessary measures to ensure that these conditions are remedied prior to the crane being placed on that ground or soil. These measures include, but are not limited to, the provision of proper shoring or cribbing or other measures. Contractor assumes all responsibility to protect the Equipment and persons in or around the Equipment from the danger of power lines. Contractor shall not expose the Equipment or any persons in or around such Equipment to the danger of energized power lines. All power lines in the work area shall be identified prior to the work beginning. All power lines are to be de-energized prior to the Equipment being operated in or around such power lines. Contractor shall contact the local electric utility or other such authorized entity to arrange to have the power lines de-energized prior to beginning work. Even if power lines are de-energized, Contractor shall keep the Equipment clear of such power lines at the distances required by OSHA, ANSI and any other safety regulations or standards. If it is not possible to de-energize power lines, then the Contractor shall be responsible for the insulating of any power lines, the grounding of all Equipment and will be required to use rigging or other Equipment designed to prevent electrocution. Contractor is required to provide any and all rigging to be used with the Equipment. Any chokers, slings, straps, chains, hooks, spreaders, fittings, rope or wire, etcetera, loaned to the Contractor by the Crane Company for the Contractor's convenience shall be used and accepted by Contractor at its sole risk and responsibility. Contractor assumes responsibility for any defects in any rigging, whether the property of Contractor or otherwise. Contractor assumes the responsibility for damage to any load on hook due to a failure of the rigging. Contractor assumes the responsibility for the method of rigging and agrees that all persons involved in the rigging process are qualified according to OSHA's definition 1926.1401, and are under Contractor's direct supervision and control.
- Scope of Work:** The Work to be performed shall be as stated on the Quote unless otherwise mutually amended by the parties. Crane Company shall provide Equipment in good working condition, capable of performing to published data, and, when applicable, operating personnel who are competent and experienced in the operation of the Equipment. Crane Company shall provide barricade for cranes per OSHA 29 CFR 1926.1424 (a)(2)(i)(ii) or equivalent standard that may be applicable from time to time. If not specified in the Quote, Contractor is solely responsible for rigging the load. Contractor likewise assumes all liability relating to the adequacy of design or the strength of any lifting lug or device embedded in or attached to any object. Crane Company makes no express or implied warranty of any kind whatsoever, with respect to such assistance or loaned equipment. In the event of Contractor provided rigging Equipment and/or personnel, Contractor shall bear all risk and be responsible for any damage caused by failed rigging or personnel supplied by Contractor, including damage to Crane Company's Equipment. Contractor will provide competent personnel, when needed, to direct or flag the operation of Crane Company's Equipment, and agrees to use standard crane and derrick hand signals in accordance with the American Standard B 30.2-2011, OSHA 29 CFR 1926.1427 Crane & Derricks in Construction, and/or the latest ANSI standard for the type of crane in use to direct or flag Crane Company's Equipment. Contractor further agrees to provide or otherwise select competent and experienced personnel to direct the operation of the Equipment, in accordance with OSHA 29 CFR 1926.1428 signal person qualifications and Contractor further agrees that the standard of care and responsibilities will be in accordance with all American National Standards Institute (ANSI) specifications and that ASME B30.5-2014 (and as amended) shall be used when operating the Equipment, specifically Chapter 5-3 Operation, as well as the OSHA 29 CFR Subpart CC Cranes and Derricks in Construction sections 1926.1400 - 1926.1442. Contractor specifically agrees that the Crane Company has absolutely no control over any person operating or assisting in operating, repairing, or maintaining the leased Equipment. Crane Company may provide an operator with the Equipment. Contractor may reject this operator; however, if operator is not rejected, the operator is under the Contractor's exclusive direction and control and is Contractor's agent, servant, and employee.
- No Reliance on Load Measuring Device:** If any crane has been fitted with a load measuring device, the Contractor hereby acknowledges and agrees that the Crane Company has made no warranties or representations whatsoever with respect to the

Quote

TAC-148317

ability of the said load measuring device to accurately or consistently measure the weight of loads being lifted by such crane. The Contractor further acknowledges and agrees that it is the responsibility of the Contractor to independently determine the weight of every load to be lifted by any crane comprising all or portion of the Equipment so as to ensure that any such load measuring device shall be used as an operator-aid only. As well, the Contractor acknowledges and agrees that if it relies in any way whatsoever on any load measuring device that it does so completely at its own risk.

8. FLORIDA INDEMNIFICATION - To the fullest extent permitted by law, Contractor agrees to indemnify, defend, and save Crane Company, its employees and agents harmless from all claims for death or injury to persons, including Crane Company's employees, of all loss, damage or injury to property, including the Equipment, arising directly, indirectly, or in any manner out of Contractor's work, use, operation and possession of the crane and operator. Contractor's duty to indemnify hereunder shall include all costs or expenses arising out of all claims specified herein, including all court and/or arbitration costs, filing fees, attorneys' fees and costs of settlement. Contractor shall be required to indemnify Crane Company for Crane Company's own negligence or fault, whether the negligence or fault of the Crane Company be direct, indirect or derivative in nature and whether the damages claimed are caused in whole or in part by the acts, errors or omissions of the Crane Company or its employees and agents. However, the indemnification above shall not be limited in any way by any limitation on the type of damage, compensation or benefits payable by or for the Contractor under workers' compensation acts, disability benefits acts, or other employee benefits acts. If this Crane Rental Subcontract is for the performance of work on a public project, Contractor's indemnification obligations are further limited by FL ST §725.06(2) and (3). Specifically, on public projects Contractor shall only indemnify, hold harmless and defend Crane Company and its employees and agents from liabilities, damages, losses, and costs, including but not limited to, reasonable attorneys' fees, to the extent caused by the negligence, recklessness or intentional wrong misconduct of Contractor and persons employed or utilized by Contractor in the performance of the public project. The Contractor's obligations hereunder shall further not be limited by the amount of its liability insurance and the purchase of such insurance for Crane Company shall not operate to waive any of the above obligations. This provision is separate and distinct from any other provision or paragraph in this contract, including any provision or paragraph concerning partial indemnification or procurement of insurance. If any word, phrase, or sentence of this paragraph or any other paragraph is declared invalid, then all other words, phrases, or sentences of all paragraphs of this contract shall stand. If this paragraph or any other paragraph is declared invalid, then all other paragraphs of this contract shall stand. Furthermore, as part of Contractor's additional obligations hereunder, Contractor shall bear the cost of any investigation or adjustment (including but not limited to, attorneys' fees and costs, private investigator/adjuster fees and costs, expert fees and costs, costs of storage and down time for inability to use the Equipment, and costs of testing of property, Equipment, or other items) initiated by the Crane Company, Crane Company's insurance carriers or Crane Company's third party adjusters into any accident of any kind, when such accident, or occurrence happens, involving directly or indirectly the leased Equipment, whether or not such accident involves personal injury, death or damage to the leased Equipment or other property or all of these. Pursuant to the provisions of FL ST § 725.06 the parties hereby agree that the indemnification obligations of the above paragraph are limited to the amount of \$5,000,000. The parties hereby further agree that this limitation bears a commercially reasonable relationship to the contract and is incorporated as part of the project specifications or bid documents, if any, and further, that the amounts of the indemnification limitation specified herein bear a commercially reasonable relationship to the contract in light of the risks to person and property which may arise from or relate to the project and work contemplated by this agreement, Crane Company and Contractor expressly acknowledge and agree that these indemnification provisions pertain only to claimed damages arising from this contract or its performance and, also, that these provisions shall not require Contractor to indemnify Crane Company for damages to persons or property caused in whole or in part by any act, error, or omission of a party other than: (a) Contractor; (b) Contractor's Contractors, sub Contractors, sub-sub Contractors, material men or agents or any tier or their respective employees; or (c) the Crane Company or its officers, directors, agents or employees provided, however, such indemnification shall not include claims of, or damages resulting from gross negligence or willful, wanton, or intentional misconduct of the Crane Company or its officers, directors, agents or employees, or for statutory violations or punitive damages except and to the extent the statutory violations and punitive damages are caused by or result from the acts, errors or omissions of the Contractor or any of Contractor's Contractors, sub Contractors, sub-sub Contractors, material men or agents of any tier or their respective employees.

9. INSURANCE - The Contractor and Crane Company agree that Contractor shall carry the following insurance coverages prior to the Equipment's arrival on the job site and that the insurance purchased shall be in compliance with the above referenced by State Statute(s). To the fullest extent permitted by law the Contractor shall procure the following coverages for Crane Company: a) worker's compensation and employer's liability insurance, with limits of at least the statutory minimum or \$1,000,000, whichever is greater; b) primary non-contributory commercial general liability (CGL) insurance with minimum limits of \$1,000,000 per occurrence and \$2,000,000 in the aggregate; c) excess/umbrella non-contributory insurance in the amount of at least \$5,000,000 and Contractor's primary and excess/umbrella policies must be endorsed so that they are primary and non-contributory to all of Crane Company's insurance policies and Crane Company's policies are excess to Contractor's policies; d) inland marine/all-risk physical damage insurance, on a primary non-contributory basis, to cover the full insurable value of the Equipment including any boom or jib, for its loss or damage from any and all causes, including, but not limited to, overloading, misuse, fire, theft, flood, explosion, overturn, accident, and acts of God occurring during the rental term; e) all policies are to be written by insurance companies acceptable to the Crane Company; f) the Crane Company and all affiliated partnerships, joint ventures, corporations and anyone else who Crane Company is required to name as an additional insured, are to be included as additional insured on all liability insurance policies, including excess/umbrella policies (ISO Form CG 20 10 10 01, ISO CG 20 37 10 01, CG 20 28 07 04, and CG 20 34 03 97 must be used as modified to be in compliance with the above referenced State Statute(s) on any CGL and any excess/umbrella policies), Contractor shall name Crane Company as a Primary Loss Payee on all insurance policies, and Contractor shall provide all insurance certificates to Crane Company when requested; No Claim Made policies are allowed; g) all policies shall be endorsed to require the insurer to give thirty (30) days advance notice to all insured's prior to cancellation; h) all of Crane Company's policies, and the policies of anyone Crane Company is required to insure are excess over all of Contractor's policies. In the event of loss, proceeds of property damage insurance on the Equipment shall be first made payable to Crane Company first before any other payments are made to any other party including the named insured. Contractor's agreements to indemnify and hold Crane Company harmless from any liability, damage and loss are in addition to, and not an alternative to, these insurance provisions and the purchase of any of the above coverages shall not operate to waive any of the above indemnity provisions. To the extent that the Contractor may perform under this lease without obtaining the above coverages, such an occurrence shall not operate, in any way, as a waiver of the Crane Company's right to maintain any breach of contract action against the Contractor. Contractor hereby agrees to waive any and all rights of subrogation and any and all lien rights (including those arising from worker's compensation/employer's liability policies or other employee benefit programs, commercial general liability policies, or similar policies) which may accrue to it or its insurers. This shall include, but not be limited to, rights of subrogation and lien rights. The Contractor understands that this waiver shall bind its insurers of all levels, and agrees to put these insurers on notice of this waiver and to have any necessary endorsements added to the insurance policies applicable to this lease.

10. Force Majeure: The obligations of Crane Company under this agreement shall be suspended to the extent that Crane Company is hindered or prevented from performing its obligations because of labor disturbances or differences with workmen or employees, including strikes and lockouts or acts of God. Crane Company shall not be liable for non-delivery or delay in Delivery or for consequential damage which may arise if such failure is the result of fires, embargo, storms, accidents, delays caused by independent freight companies, federal, state, municipal or other governmental action, statutes, ordinances, regulations, shortages of the Equipment, inability to obtain raw materials, labor, fuel or supplies, or interference, or any contingency, circumstance or cause whatsoever beyond the control of Crane Company. As Crane Company's sole option, Crane Company shall have the right to either extend time for Delivery or charge Contractor for stand-by cost at the standard T&M or other agreed upon rate.

11. Events of Default: The occurrence of any of the following shall constitute an "event of default" under this agreement: (i) Contractor shall fail to pay any invoice or other sum due under this agreement, including, without limitation, interest within ten (10) days after such sum is due; (ii) Contractor shall fail to observe or perform any other covenant or agreement contained herein; (iii) Any petition shall be filed by or against Contractor under any section or chapter of the United States Code - Bankruptcy Act, as amended, or under any similar law or statute of the United States or any state thereof, or Contractor shall become insolvent or make a transfer in fraud of creditors, or for the benefit of creditors, or a receiver shall be appointed for Contractor or any of the assets of Contractor; (iv) Any lien attached to or filed against any Equipment leased hereunder or, any of Contractor's assets or any attachment, sequestration or similar proceedings shall be commenced against any of Contractor's assets; or (v) If Contractor fails to keep the Equipment in good repair, safe and efficient working order, or if the Equipment is removed from the location where delivered other than for return to Crane Company.

12. Remedies: Upon the occurrence of an event of default, Crane Company shall have the right to exercise any one or more of the following remedies: (i) To declare the entire amount of all sums due under this agreement immediately payable without notice or demand to Contractor; (ii) To terminate this agreement as to any or all items of Equipment or Work and/or take possession of any or all items of Equipment, without demand or notice, wherever the Equipment may be located, without any court order or other process by law; Contractor waives any and all damages caused by such taking of possession provided that any such taking of possession shall not constitute a termination of this agreement as to any or all items of Equipment unless Crane Company otherwise notified in writing; and/or (iii) To sue for and recover all sums due under this agreement and/or pursue any other remedy at law or in equity. Notwithstanding any action which Crane Company may take, Contractor shall be and remain liable for the full performance of all obligations on the part of Contractor to be performed under this agreement. All such remedies are cumulative and may be exercised concurrently or separately. Contractor shall be liable to Crane Company or all of Crane Company's attorneys' fees and other expenses in connection with exercising any of its rights under this agreement, including cost to demobilize the Work and any cost incurred in connection with taking possession of the Equipment and repairing and restoring the Equipment to the condition in which it was leased.

13. No Encumbrances: Crane Company shall retain title to the Equipment at all times. Contractor shall, at its own cost and expense, protect and defend the title and rights of Crane Company to or in the Equipment from and against all claims, liens, charges, encumbrances and legal process, whether imposed, asserted or instituted by creditors of Contractor or otherwise, and Contractor shall promptly take all action necessary, at its own expense, to discharge any claims, liens, charges, encumbrances or legal process.

14. Limitation of Liability: In consideration for Crane Company's agreement to enter into this lease agreement Contractor agrees as a limitation of liability that Crane Company, its employees, directors, officers, partners, affiliates, insurers and agents shall not be liable for direct, indirect or consequential loss, however caused, including but not limited to loss of use, loss of revenue and profit or added costs of construction resulting from Contractor's operation or use of the Equipment. Crane Company shall not be responsible for direct, indirect or consequential damages arising out of the operation of the Equipment, delay or loss of use of the Equipment for any reason, including but not limited to any act, failure to act or negligence of Crane Company or any of its servants, agents or employees, or any theories of strict liability.

15. Choice of Law/Dispute Resolution: The rights, duties and obligations of the parties hereunder shall be governed and construed in accordance with the laws of the State of Texas, excluding any conflicts or laws or rules which would refer its interpretation to the laws of another jurisdiction. At Crane Company's option, all claims, disputes, and other matters in question arising out of or raising to this Agreement, or the breach thereof, may be decided by arbitration, which shall be conducted in accordance with the Crane Industry Arbitration Rules of the American Arbitration Association then in effect with a single arbitrator under fast track procedures unless otherwise elected by Crane Company. All arbitration proceedings will be in Houston, Texas. This Agreement to arbitrate shall be specifically enforceable under the Federal Arbitration Act. It is agreed that the Work performed and/or Equipment provided pursuant to this Agreement affects and involves interstate commerce. The award rendered by the arbitrators shall be final and judgment may be entered upon it in accordance with the applicable law in the court having jurisdiction thereof. Any legal action against the Crane Company arising out of relating to this agreement, or the breach thereof, shall be commenced within one (2) years from the date of the completion of the Work or the Equipment is rented to Contractor. Venue for any state court action taken against Crane Company shall be in Harris County, Texas, and venue for any federal court action taken against Crane Company shall be in the Southern District of Texas, Houston Division.

16. Severability/Entire Agreement: If any one or more of the provisions contained in this agreement shall be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision and this agreement shall be construed as if such invalid, illegal or unenforceable provision did not exist. Unless there is an existing and valid master service agreement or other written agreement that has been mutually negotiated, agreed to, and signed by the parties after the date of this Agreement, these terms and conditions shall supersede any and all prior offers, agreements, or understandings and comprises the entire agreement and contract between the parties and there are no understandings, representations, warranties or promises, verbal or otherwise, pertaining to the Work or to the Equipment, which are not incorporated in or attached to this agreement. This agreement is made with the specific understanding that language in any agreements or contracts referring to "Paid if Paid, Retention," or "No Lien Contract" shall be deemed as null and inapplicable.

17. Authorized signature: Contractor warrants and represents to Crane Company that Authorized Customer Representative has the capacity and authority to enter into this agreement on behalf of Contractor.

Deep South Crane Rentals, Inc.

P.O. Box 37159
Pensacola FL 32526
Phone 800-826-2849
Fax 850-944-1394

QUOTATION

Date	Estimate #
1/21/2021	34613

PURCHASE ORDER # _____

Customer Name / Address	
CITY OF QUINCY 404 W JEFFERSON STREET QUINCY, FL. 32351 MICHAEL 850-528-5630 MPENNINGTON@MYQUINCY.NET	DEEP SOUTH CRANE RENTALS INC. IS PLEASED TO PROVIDE YOU WITH THE FOLLOWING QUOTATION. WE APPRECIATE THIS OPPORTUNITY! CHECK US OUT AT: WWW.DEEPSOUTHCRANES.COM

Job Location

1006 ADAM'S ST. QUINCY, FL.

Description	Daily Min.(Hrs)	Rate
220 TON CRANE OPERATED AND MAINTAINED WITH 103' BOOM TO LIFT 77,000 POUND TRANSFORMER AT A 50' RADIUS		
MOVE IN/ ASSEMBLE		5,500.00
HOURLY RATE	8	400.00
HOURLY OVERTIME RATE		475.00
DISASSEMBLE/ MOVE OUT		5,500.00
CERTIFIED RIGGERS (2)		
HOURLY RATE (PORTAL TO PORTAL) IF NEEDED *EACH	8	75.00
HOURLY RATE OVERTIME *EACH		100.00
LIFT PLAN		250.00
DAILY PER DIEM (PER MAN) (4 MEN, 3 DAYS)		150.00
FUEL SUR-CHARGE (5% OF TOTAL)		

***OVERTIME RATES APPLY BEFORE 7:00AM & AFTER 3:30PM WEEK DAYS; OVER (8)
HOURS PER DAY & ALL DAY WEEKENDS & HOLIDAYS; UNLESS OTHERWISE SPECIFIED

James H. White Jr.- Vice President

Customer Signature-(REQUIRED) & DATE

*****SEND ALL PURCHASE ORDERS TO:
PURCHASING@DEEPSOUTHCRANES.COM**

Deep South Crane Rentals, Inc.

P.O. Box 37159
Pensacola FL 32526
Phone 800-826-2849
Fax 850-944-1394

QUOTATION

Date	Estimate #
1/21/2021	34613

PURCHASE ORDER # _____

Customer Name / Address	
CITY OF QUINCY 404 W JEFFERSON STREET QUINCY, FL. 32351 MICHAEL 850-528-5630 MPENNINGTON@MYQUINCY.NET	DEEP SOUTH CRANE RENTALS INC. IS PLEASED TO PROVIDE YOU WITH THE FOLLOWING QUOTATION. WE APPRECIATE THIS OPPORTUNITY! CHECK US OUT AT: WWW.DEEPSOUTHCranES.COM

Job Location

1006 ADAM'S ST. QUINCY, FL.

Description	Daily Min.(Hrs)	Rate
The estimated total is for a 220 Ton Crane operated and maintained. Working (2) 8-hour days at Straight Time Rate, move in/assemble, disassemble/move out, (2) certified riggers, daily per diem, Lift plan, and Fuel Surcharge (5% of total). ESTIMATED TOTAL IS \$22,837.50 for 2 days. If hours are exceeded you will be charged at the hourly rates listed above.		
We appreciate your consideration and look forward to serving you. Please Contact JAMES BRYAN @ 1-850-227-6366 For any further questions.		0.00
Sales Tax - Esc. Co. FL <5T		7.50%

***OVERTIME RATES APPLY BEFORE 7:00AM & AFTER 3:30PM WEEK DAYS; OVER (8) HOURS PER DAY & ALL DAY WEEKENDS & HOLIDAYS; UNLESS OTHERWISE SPECIFIED

James H. White Jr.- Vice President

Customer Signature-(REQUIRED) & DATE

*****SEND ALL PURCHASE ORDERS TO:
PURCHASING@DEEPSOUTHCranES.COM**

Quotation is good for 60 days; Thank you for your business!

RESOLUTION 1410-2021

**Municipal Gas Authority
of GA Gas Supply
Portfolio V Contract**

**CITY OF QUINCY
CITY COMMISSION
AGENDA REQUEST**

MEETING DATE: February 9, 2021

DATE OF REQUEST: February 1, 2021

TO: Honorable Mayor and Members of the City Commission

FROM: Jack L. McLean Jr., City Manager
Robin Ryals, Utilities Director

SUBJECT: Resolution Number 1410-2021 – Amendment to Gas Supply Contract and Supplemental Contract - Gas Portfolio V Project

Statement of Issue:

Gas Authority has begun writing the fifth chapter of its' successful Gas Supply Portfolio Program. The end of the acquisition and bond issuance period for the Portfolio IV Supplemental Contract has ended. The new Portfolio V Supplemental Contract will follow the same form as Portfolio IV, which should help the approval process at the local level run smoothly.

Background:

Basically, Portfolio V will be a continuation of the same successful program the Gas Authority initiated back in 1991. Obviously, much has been learned over the past 29 years since the inception of the Gas Supply Portfolio Program, and the Gas Authority has been innovating all along the way. Portfolio V will be no different, delivering the solid results Members have come to expect and enjoy. In addition, it is necessary to amend the underlying Gas Supply Contract, extending it by 10 years to synchronize the end dates of both agreements.

The purpose of this Agenda Item is to deliver the Portfolio V Supplemental Contract and the Amendment to the Gas Supply Contract for your review, and to request your assistance in getting it executed as expeditiously as possible. Because this contract mirrors the Portfolio IV Supplemental Contract currently in place, it should streamline the review process for you and your attorney. For your convenience in comparing

Portfolio IV and V, a red-line version of the Portfolio IV contract, which incorporates the changes of Portfolio V, is attached. Also, attached is a discussion of “Frequently Asked Questions” (FAQ) and a Resolution for adoption by the City Commission.

OPTIONS:

Option 1: Motion to approve Resolution 1410-2021, an amendment to Gas Supply Contract and Supplemental Contract (Gas Portfolio V Project) between the Gas Authority and the City of Quincy.

Option 2: Motion to not approve the Resolution 1410-2021.

STAFF RECOMMENDATION:

Option 1

ATTACHMENTS:

1. Gas Supply Portfolio V Frequently Asked Questions (FAQ)
2. Resolution 1410-2021
3. First Amendment to Gas Supply Contract
4. Indemnity Share Supplemental Contract
5. Gas Portfolio V Project (with tracked changes)

MUNICIPAL GAS AUTHORITY OF GEORGIA

GAS SUPPLY PORTFOLIO V

Frequently Asked Questions

1. Why do we need to enter into a new Supplemental Contract? Can't the Gas Authority continue to make the necessary supply purchases under our existing contract?

The Portfolio IV Supplemental Contract currently in place contains a time limit for the Gas Authority to acquire long-term financed gas supplies through the issuance of municipal debt. The time limit for acquisitions under Portfolio IV will expire on December 31, 2020. The existing contract also limits the maximum term for outstanding debt to 20 years. To acquire future gas supplies to satisfy our Members' long-term needs, we must establish Portfolio V by the end of 2020.

2. How does the new Supplemental Contract differ from the one we have today?

The Portfolio V Supplemental Contract has only two basic changes from the current contract. First, the new contract establishes that debt may be issued for new acquisitions or prepayments through December 31, 2030. Second, it provides for debt maturities not to exceed 30 years from the date of issuance. Portfolio IV currently limits the maturity horizon to 20 years. The maximum total dollar limit of \$1.5 billion of outstanding debt at any given time during the term in Portfolio IV is reduced to \$1 billion in Portfolio V.

3. Are there any changes in the way my Obligation or Indemnity Share is calculated?

There is no change in the methodology. The calculation continues to be a percentage of each Member's annual purchases. Portfolio IV is based on each Member's annual purchases for the year ended December 31, 2013. Portfolio V will be based on each Member's annual purchases for the year ended December 31, 2019.

4. Why are you extending the possible term of the gas supply acquisitions from 20 years to 30 years?

The market for prepayment transactions has ebbed and flowed since the inception of Portfolio IV, varying with the dynamic market conditions. Prepay suppliers are more aggressive and interested in negotiating longer term deals, even with the advent of inter-term repricing provisions. Because of the discounting involved in prepayment and other acquisition

calculations, it is to our Members' benefit to consider longer term contracts when they become available. The extension of the authorized term will allow us that flexibility.

5. Why should we enter into the Portfolio V Supplemental Contract?

Financing gas supply, as we have since 1991, is clearly the most economical way to meet our Members' long-term requirements with firm gas supplies. The nearly 30 years of solid economic results from the Portfolio Projects demonstrate this fact. The Portfolio Projects have not only yielded costs below the market price for comparable long-term firm supplies but have produced costs below the 30-day spot market price. Portfolio V is intended to perpetuate this important benefit for our Members.

6. How do financed gas supplies authorized by Portfolio V save my gas system money?

Financed gas supplies save our Members money by taking advantage of several opportunities: First, through the aggregation of the needs of 80 Member systems, the Gas Authority can negotiate for the purchase of a large quantity of gas. This increases the interest of suppliers in both bidding on the contract and in offering attractive pricing. Second, because we are pre-paying for the gas supply, we benefit from the discount rate used to determine the net present value of the firm gas supplies. Traditionally, because the Gas Authority has access to tax-exempt interest rates for the purchase of natural gas supplies, our cost of capital is lower than the discount rate the supplier uses in calculating the prepayment, which yields savings for our Members; the longer the term, the greater the impact of the discount. Although the delta between taxable and tax-exempt rates can be narrow at times, the tool remains an important one for the Gas Authority. Finally, with our large volumes, strong credit rating, and ability to issue debt, we remain an attractive suitor for high-quality suppliers.

7. Why does the term of the Gas Supply Contract need to be extended by 10 years?

Very simply, the terms of the Gas Supply Contract and the Supplemental Portfolio V Contract should mirror one another to satisfy lenders. Amending the term of the Gas Supply Contract to terminate on December 31, 2060 matches the obligation period of Portfolio V.

8. What are the next steps?

- a. STEP 1: Immediately please forward the red file folder to your attorney for review. It contains one original Portfolio V Supplemental Contract, the red-line version of the Portfolio IV contract, the Amendment to the Gas Supply Contract, and the form resolution for adoption by your local governing body.** Although the document is basically identical to your existing contract, your attorney may have some questions.

Please ask your attorney to contact Mr. Peter Floyd at Alston & Bird with all legal questions pertaining to the contract. He may be reached at 404.881.4510 or via email at Peter.Floyd@alston.com.

- b. STEP 3:** After reviewing the contract and amendment, your attorney should return it to you promptly so that all three originals of both documents may duly authorized, signed and sealed by your Mayor or Chairman. In addition, we have enclosed an authorizing resolution for this purpose.
- c. STEP 4:** Send all three originals of both documents, including the authorizing resolution, signed, and sealed, to Peter Floyd at Alston & Bird (in addressed envelope provided).

RESOLUTION NO. 1410-2021

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF QUINCY, FLORIDA, AUTHORIZING APPROVAL OF AMENDMENT TO GAS SUPPLY CONTRACT AND SUPPLEMENTAL CONTRACT (GAS PORTFOLIO V PROJECT) EACH BETWEEN THE GAS AUTHORITY AND CITY OF QUINCY, FLORIDA (THE “MEMBER”) AND FOR OTHER PURPOSES.

WHEREAS, the 1987 Session of the General Assembly of the State of Georgia adopted the Municipal Gas Authority of Georgia Act (Ga. Laws 1987, p. 745 *et seq.* (*codified* at O.C.G.A. Sections 46-4-80 through 46-4-125)), as amended (the “Act”), creating the Municipal Gas Authority of Georgia (the “Gas Authority”), providing for its organization and purposes and authorizing it to contract with certain political subdivisions for the provision of an adequate and dependable wholesale supply of gas to meet the needs of the gas distribution systems of such political subdivisions; and

WHEREAS, the Member has studied and reviewed its opportunity to enter into an Amendment to the Gas Supply Contract (the “Amendment”) with the Gas Authority, substantially similar to amendments entered into with other Gas Authority members, providing for the extension of the term of the Gas Supply Contract related to Gas Authority's obligation to furnish the Member with its gas supply requirements and for the Member's obligation to pay for such gas supplies; and

WHEREAS, the Member has also studied and reviewed its opportunity to contract with the Gas Authority for additional gas supplies, and to that end, the Member and the Gas Authority have caused to be prepared a certain Supplemental Contract (Gas Portfolio V Project) (the “Supplemental Contract,” and together with the Amendment, the “Contracts”); and

WHEREAS, the Gas Authority functions as a governmental joint action agency operating on a nonprofit basis solely for the benefit of its Members and effectively as an extension and instrumentality of its Members, aggregating their natural gas supply, management and transportation needs for economies of scale and leveraging their human and financial resources for efficiency, resulting in lower costs and higher benefits to the Members than if each acted individually or in smaller groups; and

WHEREAS, the Members control the Gas Authority and its policies through the Board of the Gas Authority, which is composed of Member representatives, and through the Gas Supply Contracts, and the Members intend to collectively share allocable portions of all risks and rewards of the Gas Authority's operations pursuant to such contracts, and the Contracts will necessarily be relied upon by the other Members due, among other things, to the interrelated nature of the Gas Supply Contracts and the relationships among the Gas Authority and the Members effected thereby; and

NOW, THEREFORE, be it resolved by the governing body of the Member in meeting duly assembled, and it is hereby resolved by authority thereof, as follows:

Section 1. The Member hereby finds and determines that it is in its best interest to contract with the Gas Authority, and the Member hereby declares its intention to so contract with the Gas Authority for the purchase of its gas supply.

Section 2. The Member hereby approves and authorizes the execution and delivery of the Contracts in substantially the form of the drafts of the Contracts attached to this Resolution as Exhibit “A” and Exhibit “B,” respectively, and hereby incorporated herein by reference, subject to such changes, additions and deletions made in the Mayor’s discretion, with advice of counsel. The Contracts will each be executed by the Mayor, attested by the Clerk, and will have the Member's seal affixed thereto, and will be delivered to the Gas Authority, and when so executed and delivered, will be binding upon the Member in accordance with their respective terms. Execution of the Contracts as authorized herein will be conclusive evidence of the Member’s approval thereof.

Section 3. In the adoption of this Resolution, the Member hereby recognizes that this action will be relied upon by other political subdivisions that own and operate gas distribution systems and that adopt similar ordinances or resolutions in furtherance of the organization of the Gas Authority under the Act, and that the Member is also relying upon the adoption of such ordinances and resolutions by such other political subdivisions.

Section 4. All ordinances or resolutions or parts of ordinances or resolutions in conflict herewith are hereby repealed.

RESOLVED this ____ day of _____, 2021.

City of Quincy

By: _____
Mayor

[SEAL]

Attest:

Clerk

Exhibit “A”

[Attach Amendment to Gas Supply Contract]

Exhibit “B”

[Attach Supplemental Contract (Gas Portfolio V)]

CERTIFICATION

I, the undersigned, Clerk of the of the City of Quincy (the "Member"), DO HEREBY CERTIFY that the foregoing pages of typewritten matter constitute a true and correct copy of the Resolution duly adopted by the governing body of the Member at a public meeting held on the____day of_____, 2021, duly called in compliance with the laws of the State of Florida, at which a quorum was present and acting throughout, the original of which Resolution has been duly recorded in the Minute Book of the Member, which is in my custody and control, and that the Resolution has not been rescinded or modified and is now in full force and effect.

GIVEN under the seal of the Member this____day of_____, 2021.

Clerk

[SEAL]

FIRST AMENDMENT TO GAS SUPPLY CONTRACT

**Between
Municipal Gas Authority of Georgia
and
City of Quincy**

This **FIRST AMENDMENT TO CONTRACT**, made and entered into as of January 1, 2021, by and between **Municipal Gas Authority of Georgia**, a public body corporate and politic, a public corporation and an instrumentality of the State of Georgia (the “Gas Authority”), created by and existing under the provisions of Ga. Laws 1987, p. 745 *et seq.*, codified at O.C.G.A. Sections 46-4-80 through 46-4-125, as amended (the “Act”), and the **City of Quincy**, a municipal corporation of the State of Florida (the “Member”),

W I T N E S S E T H THAT:

WHEREAS, the Member owns and operates a gas distribution system as contemplated by Section 46-4-100 of the Act and has determined to contract with the Gas Authority pursuant to the Act; and

WHEREAS, the Gas Authority and the Member have heretofore entered into a Gas Supply Contract, as amended and restated on August 1, 2016 (the “Gas Supply Contract”), providing for a term ending December 31, 2050, subject to certain rights of the Member to elect Resigning Member Status (defined in the Gas Supply Contract) as defined in the Gas Supply Contract; and

WHEREAS, the Gas Authority has also entered into contracts in substantially the form of the Gas Supply Contract (each, a “Gas Supply Contract,” and collectively, the “Gas Supply Contracts”) with other municipalities that own and operate gas distributions systems (each, a “Member,” and collectively, the “Members”); and

WHEREAS, the Gas Authority and the Members are contemplating the acquisition of long-term gas supplies or contract rights that may have contract terms expiring after the current expiration date of the Gas Supply Contracts; and

WHEREAS, the Gas Authority and the Member have determined that it is in the best interest of the Gas Authority and its Members to provide for the extension of the term of the Gas Supply Contract for an additional ten years; and

WHEREAS, Section 806 of the Gas Supply Contract provides that, subject to the terms of any debt instrument relating to Authorized Debt (defined in the Gas Supply Contract), the Gas Supply Contract may be amended by instrument in writing executed with the same formality as the Gas Supply Contract; and

WHEREAS, pursuant to Section 705 of the Gas Supply Contract, the Member has acknowledged and agreed that the Gas Authority may assign and pledge to any person to whom amounts are owing under Authorized Debt its right, title and interests in and to all or any portion

of the payments to be made to the Gas Authority under the provisions of the Gas Supply Contract and any Supplemental Contracts; and

WHEREAS, the Member has acknowledged pursuant to Section 405 of the Supplemental Contracts it has entered into pursuant to the terms of the Gas Supply Contract that all payments to be made by the Member pursuant to the provisions of such Article IV shall be pledged to secure the payment of the Gas Authority's Bonds; and

WHEREAS, the Gas Revenue Bond Resolutions (collectively the "Resolutions") permits the extension of the term of the Gas Supply Contract; and

WHEREAS, the Gas Authority and the Member have caused to be prepared this First Amendment to Gas Supply Contract (the "First Amendment") to provide for the extension of the term of each of the Gas Supply Contracts with the Members;

NOW, THEREFORE: For and in consideration of the premises and mutual covenants and agreements herein contained, the parties hereby agree as follows:

Section 1. Term. Section 101 of the Gas Supply Contract is hereby amended to extend the term stated therein for an additional ten years beyond the original December 31, 2050 to December 31, 2060, and to extend the right of the Member to elect Resigning Member Status as provided in Section 101 of the Gas Supply Contract on each successive fifth anniversary after December 31, 2020 through December 31, 2055.

Section 2. This First Amendment shall be read and taken together with the Gas Supply Contract as one and the same instrument. The Gas Supply Contract, as amended by this First Amendment, is hereby ratified and affirmed in all respects.

MUNICIPAL GAS AUTHORITY OF GEORGIA

APPROVED AS TO FORM:

BY: _____
CHAIRMAN

GENERAL COUNSEL

ATTEST: _____
ASST. SECRETARY-TREASURER

(SEAL)

[SIGNATURES CONTINUED ON NEXT PAGE]

City of Quincy

APPROVED AS TO FORM:

BY: _____
Mayor

City Attorney

ATTEST: _____
Clerk

(SEAL)

**INDEMNITY SHARE
SUPPLEMENTAL CONTRACT**

Between

MUNICIPAL GAS AUTHORITY OF GEORGIA

and

CITY OF QUINCY

(GAS PORTFOLIO V PROJECT)

This Contract, made and entered into as of January 1, 2021, by and between the **MUNICIPAL GAS AUTHORITY OF GEORGIA**, a public body corporate and politic, a public corporation and an instrumentality of the State of Georgia, (the “Gas Authority”), created and existing pursuant to the provisions of Ga. Laws 1987, p. 745 *et seq.*, codified at O.C.G.A. Section 46-4-80 through 46-4-125, as amended (the “Act”), and the **CITY OF QUINCY**, a political subdivision of the State of Florida, hereinafter sometimes designated as the Member,

**W I T N E S S E T H
THAT:**

WHEREAS, the Member owns and operates a gas distribution system and has determined to contract with the Gas Authority; and

WHEREAS, the Gas Authority and the Member have entered into that certain Gas Supply Contract (the “Gas Supply Contract”), pursuant to which the Gas Authority has agreed to provide gas supplies to the Member for resale to its citizens, inhabitants and customers through its gas distribution system; and

WHEREAS, the Gas Authority has also entered into contracts in substantially the form of the Gas Supply Contract (each, a “Gas Supply Contract” and collectively, the “Gas Supply Contracts”) with other political subdivisions and systems that own and operate gas distribution systems (each, a “Member” and collectively, the “Members”); and

WHEREAS, the Gas Authority and the Member have agreed to enter into this Supplemental Contract to provide for, among other things, (i) the approval of a Project as contemplated by the Gas Supply Contract and as more particularly described herein; and (ii) the issuance of Bonds to fund Project Costs, as more particularly described herein; and

WHEREAS, in order to enable the Gas Authority to issue its Bonds and to pay the costs of the Project, it is necessary for the Gas Authority to have binding contracts with the Members in accordance with the provisions of the Act and the Gas Supply Contracts; and

WHEREAS, the payments required to be made under Article IV of this Contract, and all other payments attributable to the Project or the Annual Project Costs, as hereinafter defined, to be made in accordance with or pursuant to any other provision of this Contract, will be pledged as security for the payment of Bonds;

NOW, THEREFORE:

FOR AND IN CONSIDERATION of the premises and the mutual covenants and agreements herein contained, the parties hereby agree as follows:

ARTICLE I

TERM AND DEFINITIONS

Section 101. Term.

This Contract is dated as of the first date set forth above, its effective date, and will terminate at the close of business on the date of the final maturity and payment or the defeasance of all outstanding Bonds or any refunding Bonds issued with respect thereto. Following the termination of this Contract, any remaining Project assets will be accounted for by the Gas Authority to reflect the benefit thereof to the Members participating in the Project.

Section 102. Definitions.

(a) Those words which are defined in O.C.G.A. Section 46-4-81 will have the same meaning when used herein as defined in said Code Section.

(b) Those capitalized terms used herein which are not defined will have the meaning ascribed thereto in the Gas Supply Contract.

(b) As used herein, the term:

(1) “Annual Project Costs” means the Project Costs applicable to a Gas Supply Year.

(2) “Bond Resolution” means the Gas Portfolio V Project Revenue Bond Resolution to be adopted by the Gas Authority for the benefit of the owners of the Bonds, which provides for the issuance of such Bonds, a copy of which Bond Resolution in substantially the form to be adopted by the Gas Authority is on file in the records of the Gas Authority, and any resolution for the issuance of refunding bonds for the Bonds, as amended or supplemented from time to time.

(3) “Bonds” means the Bonds or other debt instruments issued by the Gas Authority pursuant to the provisions of the Bond Resolution to finance or refinance the Project Costs, whether or not any issue of such Bonds will be subordinated as to payment to any other issue of such Bonds, and will include refunding Bonds issued pursuant to the provisions of Section 302 hereof, together with any payment obligations under any gas production sharing or other agreements providing for the acquisition, ownership, operation, hedging and financing of natural gas reserves or interests therein, either by the Gas Authority alone or jointly with other governmental entities.

(4) “Contract” refers to this Supplemental Contract.

(5) “Debt Service” means Debt Service on the Bonds.

(6) “Gas Supply Year” means the annual period as established by the Gas Authority from time to time, initially commencing each January 1.

(7) “Indemnity Share” means the amount determined in accordance with Sections 401 and 402 hereof and set forth in the Schedule of Indemnity Shares attached hereto and hereby incorporated herein by this reference.

(8) “Indemnity Share Member” means each of the Georgia and non-Georgia political subdivisions or systems executing similar Contracts with the Gas Authority with respect to the Project contemplated by the Bond Resolution, other than Obligation Share Members, and set forth in the Schedule of Indemnity Shares attached hereto.

(9) “Member” or “Members” means the political subdivision or system that is a party to this Contract, or collectively, all of the Georgia political subdivisions or systems described in Section 46-4-100 of the Act executing similar Contracts as Obligation Share Members or Indemnity Share Members, and all non-Georgia political subdivisions or systems executing similar Contracts as Indemnity Share Members.

(10) “MCF” means thousand cubic feet.

(11) “Obligation Share Member” means each of the Georgia political subdivisions shown in the Schedule of Obligation Shares attached hereto and hereby incorporated herein by this reference.

(12) “Obligation Share” means, with respect to an Obligation Share Member, that percentage set forth in the Schedule of Obligation Shares attached hereto.

(13) “Project” means the development of a portfolio of Project Gas Supplies through the acquisition, construction or development of any plant, works, system, facility, and real and personal property of any nature whatsoever, together with all parts thereof and appurtenances thereto, and any contract rights relating to the storage, acquisition, exploration, production, distribution, enrichment, transmission, purchase, sale, exchange, or interchange of gas or associated liquids and relating to the acquisition, extraction, conversion, transportation, storage, or processing of fuel of any kind for any such purposes, or any interest in, or the right to the use, services, enrichment, output, or capacity of any such plant, works, system, or facility. “Project” as used in this paragraph, is intended to include contracts and contract rights as well as tangible property, and including further any (i) major renewals, replacements, repairs, additions, betterments and improvements necessary to keep such project in good operating condition; (ii) any major additions, improvements, repairs and modifications thereto; (iii) any disposal of a Project required by any governmental agency having jurisdiction over the Project; (iv) costs of engineering, architectural, legal and financial services, costs of plans and specifications and all expenses necessary or incidental to determining the feasibility or practicability of the Project and to obtain all licenses, permits and approvals necessary in connection with the furtherance thereof, and related expenses; (v) all costs of operating, servicing, and maintaining the Project, including insurance premiums, administrative and overhead costs, costs of interest rate or commodity hedging and any other charges payable by the Gas Authority reasonably allocable by the Gas Authority to the operation, servicing and maintenance of the Project; and (vi) reasonable working capital determined to be necessary by the Gas Authority to place the Project in operation and to operate the Project during the life of the Project.

ARTICLE II

CERTAIN OBLIGATIONS OF THE GAS AUTHORITY AND THE MEMBER

Section 201. Authority Gas Supplies.

The Gas Authority will use the proceeds of the Bonds for the costs of acquiring the Project as more particularly described in the definition of the "Project." The Gas Authority will use the natural gas provided by the Project to fulfill, in whole or in part, its obligation under Section 201 of the Gas Supply Contract to supply Authority Gas Supplies to the Member, and to the extent that such Authority Gas Supplies are not required by the Member, to sell such Authority Gas Supplies to others. The Gas Authority and the Member hereby agree that for purposes of the Gas Supply Contract and this Supplemental Contract, natural gas acquired as a part of the Project and financed from the proceeds of Bonds issued pursuant to the authorization contained in Article III of this Supplemental Contract will be deemed to have passed through the meter at the Member's City gate prior to other Authority Gas Supplies.

Section 202. Reports.

The Gas Authority will prepare and issue to the Member, for each Gas Supply Year, reports disclosing the financial status of the Project. The Member will provide to the Gas Authority, in such form as will be reasonably requested by the Gas Authority, any and all documents, releases, financial statements and other information necessary to enable the Gas Authority to comply with any disclosure or other reporting requirement, including but not limited to Rule 15c2-12 of the Securities and Exchange Commission, now or hereafter imposed by the United States of America, the State of Georgia, or any political subdivision or agency of either having jurisdiction over the Member, the Gas Authority or the issuance and sale of the Gas Authority's bonds or other debt obligations, by law, judicial decision, regulation, rule or policy. Such information will be provided by the Member from time to time as requested by the Gas Authority, but in any case, no less frequently than will enable the Gas Authority to comply with any such law, judicial decision, regulation, rule or policy.

Section 203. Records and Accounts.

The Gas Authority will keep accurate records and accounts relating to administration of the Project, including all payments with respect to the Bonds. Said accounts will be included in the Gas Authority's financial statements, which will be subject to an annual audit by a firm of independent certified public accountants experienced in gas utility accounting and of national reputation to be submitted to the Gas Authority within one hundred fifty days after the close of each Gas Supply Year.

Section 204. Rate Covenant

The Member will establish, maintain and collect rates and charges for the gas service of its gas system so as to provide revenues sufficient, together with available gas system reserves, to enable the Member to pay to the Gas Authority all amounts payable under the Gas Supply Contract and any Supplemental Contract, including this Contract, and to pay all other amounts payable from and all lawful charges against or liens on the revenues of the Member's gas system.

ARTICLE III

ISSUANCE OF BONDS

Section 301. Issuance of Bonds.

Pursuant to the authority hereof, the Gas Authority is authorized to issue, in series as may be determined by the Gas Authority, Bonds pursuant to the Bond Resolution for the purpose of financing Project Costs. The Bonds may be issued in series through the close of business on December 31, 2030, with a maximum principal amount outstanding at any one time of \$831,500,000; provided however, that such limitation will not apply to any price or interest rate hedges or swap agreements entered into in connection with projects financed by any such Bonds, and such maximum principal amount will be increased from time to time *pro tanto* as Bonds issued pursuant to the Supplemental Contract (Gas Portfolio IV Project), between the Gas Authority and the Member, as amended, are retired, up to a maximum aggregate principal amount of \$1,000,000,000 outstanding at any one time hereunder. Each series of Bonds will have a final maturity of no more than 30 years from the date of issuance of each such series of Bonds.

Section 302. Refunding Bonds.

The Gas Authority may issue and sell refunding Bonds for Bonds previously issued with a final maturity not exceeding the final maturity of the Bonds being refunded, which refunding Bonds may be issued in an amount sufficient to refund any Bonds together with other associated costs, including, but not limited to the principal amount thereof, interest accrued or to accrue thereon, redemption premium thereof, if any, and costs of issuance including any costs of terminating any derivative products associated therewith, but will not be counted against the amount limitation set forth in Section 301 hereof. Any such refunding Bonds issued in accordance with the provisions of this Section may rank *pari passu* as to the security afforded by the provisions of this Contract with all Bonds theretofore issued pursuant to and secured in accordance with the provisions of this Contract.

ARTICLE IV

INDEMNITY SHARES

Section 401. Indemnity Shares.

Each of the Indemnity Share Members initially participating in the Project have been assigned an Indemnity Share as set forth in the Schedule of Indemnity Shares attached hereto pursuant to Supplemental Contracts with such Members identical to this contract except for the identification of the parties and the signature pages. In the event that the Obligation Share Members should be required to pay amounts based upon their Obligation Shares, then the Member agrees to indemnify and hold each such Obligation Share Member harmless for a portion of the amount required to be paid by the Obligation Share Member equal to the Member's Indemnity Share of the amount required to be paid by that Obligation Share Member. The Member must satisfy this obligation to indemnify such Obligation Share Members by paying its total Indemnity Share for each of such Obligation Share Members directly to the Gas Authority for credit to each such Obligation Share Member's account under its respective Gas Supply Contract. The Member will not be entitled to the payment of any indemnity share by any Indemnity Share Member.

Section 402. Subsequent Members.

Should any Member subsequently be admitted by the Gas Authority that has not been assigned an Obligation Share in the Schedule of Obligation Shares, then such Member will be assigned by the Gas Authority an "Indemnity Share" based upon the ratio of that new Member's average annual purchases of gas based on the 24-month period ended with the last month for which information is available (the "Average Gas Purchases") to the total of all Obligation Share Members' Average Gas Purchases at the effective date of this Contract. Upon the admission of such new Member, the Schedule of Indemnity Shares will be recalculated and provided to each Member and the Gas Authority for attachment to this Supplemental Contract in lieu of the preceding Schedule of Indemnity Shares attached to this Supplemental Contract immediately preceding the admission of such Member. In the event that Obligation Share Members should be required to pay amounts based upon their Obligation Shares as set forth in Section 401 above, then each such new Member would be required to indemnify and hold each such Obligation Share Member harmless for a portion of the amount required to be paid by the Obligation Share Member equal to that new Member's Indemnity Share of the amount required to be paid by that Obligation Share Member.

Section 403. Payment Obligations.

The Member hereby agrees to pay its Indemnity Share of Project Costs as set forth in the Schedule of Indemnity Shares. The obligation of the Member to pay promptly its obligation under Section 401 or 402 hereof is for the benefit of, among others, the owners of the Bonds and will be absolute and unconditional and will not be subject to any defense or any right of setoff, counterclaim or recoupment arising out of any breach by the Gas Authority of any obligation to any Member or the breach by any Member of any obligation to the Gas Authority or to any other Member, whether hereunder, under the Gas Supply Contract or otherwise or any overpayment or underpayment by reason of a miscalculation of the amount owed by any Member to the Gas Authority or otherwise. Until such time as the principal of, redemption premium (if any) and interest on the Bonds will have been fully paid or provision for the payment thereof will have been made, the Member will not suspend or discontinue any payments provided for herein for any cause, including, without limiting the generality of the foregoing, failure of the Gas Authority to complete any Project, the occurrence of any acts or circumstances that may constitute failure of consideration, eviction or constructive eviction, destruction of or damage to any Project or any of the Gas Authority's facilities, the taking by eminent domain of title to or temporary use of all or any portion of any Project or of any of the Gas Authority's facilities, commercial frustration of purpose, any change in the tax or other laws of the United States of America or the State of Georgia or of any political subdivision of either thereof or any failure of any party to perform and observe any agreement, whether express or implied, or any duty, liability or obligation arising out of or in connection with this Contract, the Gas Supply Contract or otherwise.

Section 404. Sources of Member's Payments.

The Member will be obligated to make the payments to the Authority under this Contract first from the gross revenues of the gas system of the Member and second from any and all other funds of the Member legally available for such purpose. The obligation to pay amounts hereunder from the gross revenues of the gas system of the Member constitutes a cost of Gas Supplies and otherwise an operating and maintenance cost of the Member and will be payable prior to any other lien or charge on such revenues, including without limiting the generality of the foregoing, any lien or charge on such revenues pledged for indebtedness of the Member.

Section 405. Pledge of Payments.

All payments required to be made by the Member pursuant to the provisions of this Article IV will be pledged to secure the payment of the Gas Authority's Bonds.

ARTICLE V

EXCESS BOND PROCEEDS

Section 501. Excess Bond Proceeds.

In the event the proceeds derived from the sale of any Bonds issued pursuant to the provisions of this Contract, the payment of which is secured by assignment of payments made pursuant to the provisions of this Contract and of any other Supplemental Contracts between the Gas Authority and the Members relating to the Project and to the issuance of Bonds therefor, exceed the aggregate amount required for the purposes of the Project, the amount of such excess will be used to make up any deficiency then existing in any fund or account under the Bond Resolution in the manner therein provided, and any balance will be used to retire, by purchase or call and redemption, Bonds in advance of maturity, and in such event the Gas Authority will reduce such elements of Annual Project Costs as are necessary and appropriate to reflect such accelerated retirement.

ARTICLE VI

DEFAULT

Section 601. Event of Default.

Failure of the Member to make to the Gas Authority any of the payments for which provision is made in this Contract or the Gas Supply Contract as and when the same are due and payable will constitute a default on the part of the Member.

Section 602. Continuing Obligation, Right to Discontinue Service.

In the event of any such default, the Member will not be relieved of its liability for payment of the amounts in default, and the Gas Authority will have the right to recover from the Member any amount in default. In enforcement of any such right of recovery, the Gas Authority may bring any suit, action, or proceeding in law or in equity, including mandamus and action for specific performance, as may be necessary or appropriate to enforce any covenant, agreement or obligation to make any payment for which provision is made in this Contract against the Member.

Section 603. Other Default by Member.

In the event of a failure of the Member to establish, maintain, or collect rates or charges adequate to provide revenue sufficient to enable the Member to pay all amounts due to the Gas Authority under this Contract and the Gas Supply Contract, or in the event of any default by the Member under any other covenant, agreement or obligation of this Contract or the Gas Supply Contract, the Gas Authority may enforce such covenant, agreement or obligation of this Contract or the Gas Supply Contract in

accordance with the escalating dispute resolution process provided for in the Gas Supply Contract.

Section 604. Default by Gas Authority.

In the event of any default by the Gas Authority under any covenant, agreement or obligation of this Contract, the Member may enforce such covenant, agreement or obligation of this Contract or the Gas Supply Contract in accordance with the escalating dispute resolution process provided for in the Gas Supply Contract.

Section 605. Abandonment of Remedy.

In case any proceeding taken on account of any default will have been discontinued or abandoned for any reason, the parties to such proceedings will be restored to their former positions and rights hereunder, respectively, and all rights, remedies, powers, and duties of the Gas Authority and the Member will continue as though no such proceedings had been taken.

ARTICLE VII

MISCELLANEOUS GENERAL PROVISIONS

Section 701. Character and Continuity of Service.

The Gas Authority will not be required to provide, or be liable for failure to provide, service under this Contract when such failure or the cessation or curtailment of or interference with the service is caused by force majeure or the default or failure to perform of any third party. No failure on the part of the Gas Authority will be grounds for the termination or suspension of the payments due from the Member hereunder.

Section 702. Other Terms and Conditions.

Service hereunder will be in accordance with such other terms and conditions as are established as part of the Gas Authority's service rules and regulations, which will not be inconsistent with the provisions of this Contract.

Section 703. Termination or Amendment of Contract.

Subject to the terms of the Bond Resolution, this Contract may be amended by instrument in writing executed with the same formality as this Contract; provided, however, if any such amendment is to be made to less than all of the Contracts of the Members pertaining to the Project, at least thirty (30) days advance notice will be given by the Gas Authority to all Members of the Gas Authority transmitting a copy of such amendment. No amendment will be made which is adverse to the interest of the owners of the Bonds.

Section 704. No Assignment or Transfer.

Except as provided in Section 705 of the Gas Supply Contract, neither party to this Contract will be entitled or empowered to assign or transfer this Contract or any interest therein, unless such assignment is required by act of the General Assembly.

ARTICLE VIII

SEVERABILITY

In case any one or more of the provisions of this Contract will for any reason be held to be illegal or invalid by a court of competent jurisdiction, it is the intention of each of the parties hereto that such illegality or invalidity will not affect any other provision hereof, but this Contract will be construed and enforced as if such illegal or invalid provision had not been contained herein, and this Contract will be construed to adopt, but not to enlarge upon, all the applicable provisions of said Act, and all the applicable provisions of the Constitution and general laws of Georgia, and, if any provisions hereof conflict with any applicable provision of said Constitution or laws, the former as proposed by the General Assembly, ratified by the people and interpreted by the courts of this state, and the latter as adopted by the General Assembly and as interpreted by the courts of this state will prevail in lieu of any provision hereof in conflict or not in harmony therewith.

[SIGNATURES BEGIN ON NEXT PAGE]

IN WITNESS WHEREOF, the Municipal Gas Authority of Georgia has caused this Contract to be executed in its corporate name by its duly authorized officers and has caused its corporate seal to be hereunto impressed and attested; the Member has caused this Contract to be executed in its corporate name by its duly authorized officers and its corporate seal to be hereunto impressed and attested, and delivery hereof by the Authority to the Member is hereby acknowledged, all as of the day and year first above written.

**MUNICIPAL GAS AUTHORITY OF
GEORGIA**

APPROVED AS TO FORM:

BY: _____
CHAIRMAN

GENERAL COUNSEL

ATTEST: _____
ASST. SECRETARY-TREASURER

(SEAL)

[SIGNATURES CONTINUED ON NEXT PAGE]

CITY OF QUINCY

APPROVED AS TO FORM:

BY: _____
MAYOR

CITY ATTORNEY

ATTEST: _____
CLERK

(SEAL)

MUNICIPAL GAS AUTHORITY OF GEORGIA

SCHEDULE OF INDEMNITY SHARE PERCENTAGES FOR MEMBERS PARTICIPATING IN GAS PORTFOLIO V PROJECT

[INDEMNITY SHARES TO BE ASSIGNED ON THE BASIS
OF A RATIO CALCULATED ON THE BASIS OF
EACH MEMBER'S ANNUAL PURCHASES]

Obligation Share Members	Obligation Share	Indemnity Share
Adairsville	2.1765%	2.0202%
Adel	0.4268%	0.3962%
Albany	5.2496%	4.8729%
Americus	0.6009%	0.5578%
Andersonville	0.0039%	0.0036%
Ashburn	0.1325%	0.1230%
Bainbridge	0.5902%	0.5478%
Blakely	0.3881%	0.3603%
Bowman	0.0253%	0.0235%
Buford	7.9261%	7.3572%
Byron	0.3508%	0.3257%
Cairo	0.2597%	0.2411%
Camilla	1.5852%	1.4714%
Claxton	0.6678%	0.6199%
Cochran	0.8944%	0.8302%
Colquitt	0.0744%	0.0691%
Commerce	1.3407%	1.2445%
Covington	5.4239%	5.0346%
Dawson	0.7442%	0.6908%
Decatur County	0.1691%	0.1570%
Doerun	0.1000%	0.0928%
Donalsonville	0.1006%	0.0934%
Douglas	2.1188%	1.9667%
Dublin	4.6093%	4.2784%
Eatonton	0.3168%	0.2941%
Edison	0.0882%	0.0819%
Elberton	0.9973%	0.9257%
Fitzgerald	2.0206%	1.8755%
Fort Valley	1.5200%	1.4109%
Grantville	0.0751%	0.0698%
Greensboro	1.9192%	1.7815%
Hartwell	1.1710%	1.0870%
Hawkinsville	2.0803%	1.9310%
Hogansville	0.2914%	0.2705%
LaFayette	0.6074%	0.5638%
Lawrenceville	9.5823%	8.8945%
Louisville	0.2542%	0.2360%
Lumpkin	0.0611%	0.0567%
Madison	0.9293%	0.8626%
Millen	0.3215%	0.2985%
Monroe	0.7704%	0.7151%
Monticello	0.1931%	0.1793%
Moultrie	0.7868%	0.7303%
Nashville	0.4219%	0.3916%
Pelham	0.0569%	0.0528%
Perry	1.7383%	1.6136%
Quitman	0.3228%	0.2996%

Obligation Share Members	Obligation Share	Indemnity Share
Royston	0.6167%	0.5724%
Social Circle	1.5774%	1.4641%
Sparta	0.1862%	0.1729%
Statesboro	1.4216%	1.3196%
Sugar Hill	1.9287%	1.7903%
Summerville	1.8870%	1.7515%
Sylvania	2.2444%	2.0833%
Sylvester	0.2764%	0.2566%
Thomasville	1.1134%	1.0335%
Thomson	3.4910%	3.2404%
Tifton	1.2585%	1.1682%
Toccoa	3.4520%	3.2043%
Trion	4.1046%	3.8100%
Union Point	0.1010%	0.0938%
Vienna	0.5645%	0.5239%
Warner Robins	9.7311%	9.0327%
Waynesboro	0.3213%	0.2982%
West Point	0.3420%	0.3175%
Winder	2.8975%	2.6895%
Total	100%	93%

GA Indemnity Only Members		
Non-Georgia Members		
Alexander City, Alabama	N/A	0.6903%
Chambersburg, Pennsylvania	N/A	2.7418%
East Central Alabama Gas District	N/A	0.8903%
Havanna, Florida	N/A	0.0500%
Jasper, Florida	N/A	0.1133%
Lanett, Alabama	N/A	0.1737%
Lawrenceburg, Tennessee	N/A	1.6005%
Maplesville, Alabama	N/A	0.0581%
Quincy, Florida	N/A	0.3226%
Roanoke, Alabama	N/A	0.3657%
Rockford, Alabama	N/A	0.0097%
Wadley, Alabama	N/A	0.0687%
Wedowee, Alabama	N/A	0.0925%
Total Indemnity Shares		100%

MUNICIPAL GAS AUTHORITY OF GEORGIA

**GAS REVENUE BOND RESOLUTION
(GAS PORTFOLIO ~~IV~~V PROJECT)**

**Adopted November 19, 2014, and
Adopted 2020**

Amended and Restated February 25, 2015

Prepared by:

~~Della Wager Wells, Esq.~~
Alston & Bird LLP
1201 W. Peachtree Street
Atlanta, Georgia 30309

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**GAS REVENUE BOND RESOLUTION
(GAS PORTFOLIO ~~IV~~V PROJECT)**

**BE IT RESOLVED BY MUNICIPAL GAS AUTHORITY OF GEORGIA AS
FOLLOWS:**

WITNESSETH:

WHEREAS, pursuant to and in accordance with the provisions of Georgia Laws 1987, p. 745, *et seq.*, as amended to the date of adoption of this Resolution and as may be hereafter amended, *codified* at O.C.G.A. Section 46-4-80 through 46-4-125 (the “Act”), by appropriate action taken by the Members of the Municipal Gas Authority of Georgia (the “Gas Authority”), and in furtherance of the purposes of the Act, the Gas Authority proposes to finance the development of a portfolio of Project Gas Supplies, as more particularly described herein (the “Project”); and

WHEREAS, it has been determined that the estimated amount necessary to finance the cost of the Project, including necessary expenses incidental thereto, will require the Gas Authority to issue, sell and deliver its Gas Revenue Bonds (Gas Portfolio ~~IV~~V Project) (the “Bonds”), and to enter into bank borrowings or other obligations in the aggregate principal amount of up to ~~\$1,500,000,000~~1,000,000,000 outstanding at any one time, as hereinafter provided; and

WHEREAS, the Bonds and any such bank borrowings or other obligations ~~shall~~will be direct and general obligations of the Gas Authority, and there ~~shall~~will be pledged and assigned for the payment of their principal, premium (if any), and interest, (i) the proceeds of the sale of the Bonds, (ii) the Revenues (as defined herein) and (iii) all funds established by this Resolution (other than the Rebate Fund), including the investments, if any, thereof; and

WHEREAS, the Bonds, the provisions for registration to be endorsed thereon, the form of assignment and transfer to be printed thereon and the certificate of authentication by the Trustee to be endorsed thereon are to be in substantially the form specified in the Supplemental Resolution authorizing the issuance of such Series of Bonds; and

WHEREAS, all things necessary to make the Bonds and any such bank borrowings or other obligations, when authenticated by the Trustee or the Tender Agent and issued as in this Resolution provided, the valid, binding and legal obligations of the Gas Authority, according to the import thereof, and to constitute this Resolution a valid assignment and pledge of the amounts pledged to the payment of their principal of, premium, if any, and interest, and to constitute this Resolution a valid assignment of the rights of the Gas Authority under the Supplemental Contracts, have been done and performed, and the creation, execution and delivery of this Resolution, and the creation, execution and issuance of the Bonds, subject to the terms hereof, have in all respects been duly authorized;

NOW, THEREFORE, THIS RESOLUTION WITNESSETH:

GRANTING CLAUSES

That the Gas Authority, in consideration of the premises and the acceptance by the Trustee of the trusts hereby created and of the purchase and acceptance of the Bonds and Parity Obligations by the holders and owners thereof, and of the sum of one dollar, lawful money of the United States of America, to it duly paid by the Trustee at or before the execution and delivery of these presents, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, in order to secure the payment of the principal of, premium, if any, Tender Purchase Price and interest on the Bonds according to their tenor and effect, and, on a parity therewith, payments of principal, interest and other amounts due and owing by the Gas Authority under any Parity Obligations, and to secure the performance and observance by the Gas Authority of all the covenants expressed or implied herein and in the Bonds, and in any documents, instruments and agreements evidencing the Parity Obligations, and, if and to the extent provided in a Supplemental Resolution with respect to any Series of Bonds, to secure, on a subordinated basis, payments of amounts owing to (i) any Liquidity Facility Issuer with respect to a Liquidity Facility, (ii) to a Credit Facility Issuer with respect to a Credit Facility, (iii) to any Qualified Rate Hedge Provider in respect of any Settlement Amount due under any Qualified Rate Hedge Agreement, and (iv) to any counterparty to a Commodity Price Agreement with respect to Project Gas Supplies in connection with a Series of Bonds or Parity Obligations, does hereby convey, assign, pledge and grant a security interest in the following to the Trustee and its successors in trust and assigns forever, for the securing of the performance of the obligations of the Gas Authority hereinafter set forth (the following described property, collectively, the "Trust Estate"):

(i) All of the Revenues, following payments to the Operating Fund to meet Operating Expenses as provided in Section 4.07(b) hereof;

(ii) All of the Gas Authority's rights under the Supplemental Contracts, including, without limitation, (a) the right to receive and collect all of the payments from the Participating Members under the Supplemental Contracts, (b) the right to receive and collect any proceeds of any insurance maintained thereunder, (c) the right to take all actions and give all consents under the Supplemental Contracts in the event the Gas Authority is in default after notice thereunder, and (d) the right to exercise such rights and remedies conferred on the Gas Authority in the event that the Gas Authority has failed to exercise any such right after notice thereof; and

(iii) All moneys and securities from time to time held by or on behalf of the Trustee or the Tender Agent under the terms of this Resolution, except for moneys and securities held in the Rebate Fund, and except to the extent that money and securities by the terms hereof are held for particular Bonds or Series of Bonds or particular Parity Obligations;

TO HAVE AND TO HOLD all and singular the Trust Estate, whether now owned or hereafter acquired, unto the Trustee and its respective successors and assigns in said trust forever;

IN TRUST NEVERTHELESS, upon the terms and trust herein set forth for the equal and proportionate benefit, security and protection of all present and future holders and Owners of the Bonds and Parity Obligations, from time to time, issued under and secured by this Resolution without privilege, priority or distinction as to the lien or otherwise of any of the Bonds or Parity Obligations over any of the other Bonds or Parity Obligations;

PROVIDED, HOWEVER, that if the Gas Authority, its successors or assigns ~~shall~~will well and truly pay, or cause to be paid, the principal of, premium, if any, and interest on the Bonds and Parity Obligations due or to become due thereon, at the times and in the manner set forth in the Bonds and Parity Obligations according to the true intent and meaning thereof, and ~~shall~~will cause the payments to be made on the Bonds and Parity Obligations as required under Article IV hereof or in such Parity Obligations, or ~~shall~~will provide, as permitted hereby, for the payment thereof by depositing with the Trustee the entire amount due or to become due thereon, and ~~shall~~will well and truly cause to be kept, performed and observed all of its covenants and conditions pursuant to the terms of this Resolution, and ~~shall~~will pay or cause to be paid to the Trustee all sums of money due or to become due to it in accordance with the terms and provisions hereof, then upon the final payment thereof this Resolution and the rights hereby granted ~~shall~~will cease, determine and be discharged; otherwise this Resolution ~~shall~~will remain in full force and effect.

THIS RESOLUTION FURTHER WITNESSETH, and it is expressly declared, that all Bonds and Parity Obligations issued and secured hereunder are to be issued, authenticated and delivered, and all said property, rights and interests, including, without limitation, the amounts payable under the Supplemental Contracts, and under any Liquidity Facility, Credit Facility or Qualified Rate Hedge Agreement, and any other amounts hereby assigned and pledged are to be dealt with and disposed of under, upon and subject to the terms, conditions, stipulations, covenants, agreements, trusts, uses and purposes as herein expressed, and the Gas Authority has agreed and covenanted, and does hereby agree and covenant with the Trustee, the respective Owners of the Bonds and holders of the Parity Obligations and, to the extent set forth herein and in any Supplemental Resolution with respect to a Series of Bonds, any Credit Facility Issuer, Liquidity Facility Issuer and Qualified Hedge Provider, as follows:

ARTICLE I

DEFINITIONS

SECTION 1.01. *Definitions.* In addition to the words and terms elsewhere defined in this Resolution, the following words and terms as used in this Resolution ~~shall~~will have the following meanings unless the context or use indicates another or different meaning or intent:

“*Accounts*” means any accounts or subaccounts within any of the Funds created pursuant to Article IV hereof or pursuant to any Supplemental Resolution.

“*Act*” ~~shall mean~~means that certain Act of the 1987 Session of the General Assembly of the State of Georgia compiled and published in Ga. Laws 1987, p. 745 *et seq.*, as amended to the

date of adoption of this Resolution and as may be hereafter amended, *codified* at O.C.G.A. Section 46-4-80 through 46-4-125.

“*Act of Bankruptcy*” means the filing of a petition in bankruptcy (or the commencement of a bankruptcy or similar proceeding) by (other than with respect to a third party) or against the Gas Authority under any applicable bankruptcy, insolvency, reorganization or similar law now or hereafter in effect.

“*Agent*” ~~shall mean~~ means the Trustee with respect to those Bonds in a Fixed Mode and ~~shall mean~~ means the Tender Agent with respect to those Bonds not in a Fixed Mode.

“*Alternate Credit Facility*” means any alternate credit facility or facilities described in Section 4.16 hereof.

“*Alternate Liquidity Facility*” means any alternate liquidity facility or facilities described in Section 4.17 hereof.

“*Authorized Denomination*” means, while Bonds are in a Fixed Mode, \$5,000 and any integral multiple thereof or such lesser amount to the extent resulting from the redemption of Bonds; while Bonds are in a Daily Mode, Weekly Mode or Monthly Mode, \$100,000 or any integral multiple of \$5,000 in excess of \$100,000; and while Bonds are in a Flexible Mode, such denominations as the Gas Authority may provide in the related Supplemental Resolution.

“*Available Moneys*” means (i) moneys drawn under any Credit Facility; (ii) moneys deposited directly by the Gas Authority with the Trustee which moneys have been on deposit in the Debt Service Fund and held by the Trustee for at least 367 days during which no Act of Bankruptcy ~~shall will~~ have occurred; (iii) other moneys (including the proceeds of any obligations issued by the Gas Authority to refund any Bonds) on deposit with the Trustee if, in the opinion of nationally recognized counsel experienced in bankruptcy matters acceptable to any Rating Agency, the application of such moneys will not constitute a voidable preference in the event of the occurrence of an Act of Bankruptcy; or (iv) the proceeds from investment of moneys qualifying as Available Moneys under clause (i), (ii) or (iii) above.

“*Bank Bonds*” means at any time the Bonds registered in the name of or held for the benefit of or pledged to any Liquidity Facility Issuer, whether as pledged certificates or otherwise.

“*Beneficial Owner*” ~~shall mean~~ means the owners of a beneficial interest in Bonds registered in Book-Entry Form.

“*Bond Counsel*” means any nationally recognized counsel experienced in matters relating to Section 103 of the Code reasonably acceptable to the Gas Authority and the Trustee.

“*Bondholder*” or “*Holder*” or “*Owner*” or “*Owner of the bonds*” means the registered owner of any Bond.

“*Bond Year*” means, with respect to any Series of Bonds, any one year period designated as the Bond Year for such Series in the related Supplemental Resolution.

“*Bonds*” means the Bonds of any Series issued from time to time hereunder and any Bonds issued in replacement or exchange therefor pursuant to Section 2.07, 2.08, or 2.09 hereof, but ~~shall~~will not mean Parity Obligations.

“*Book-Entry Form*” or “*Book-Entry System*” ~~shall mean~~means, with respect to the Bonds of any Series, a form or system, as applicable, under which (i) the ownership of beneficial interests in the Bonds of a Series may be transferred only through a book entry and (ii) physical Bonds in fully registered form are registered only in the name of a Securities Depository or a Securities Depository Nominee, with the physical Bonds in the custody of a Securities Depository or a Securities Depository Nominee.

“*Business Day*” means any day excluding Saturday, Sunday and any day on which banks in the borough of Manhattan, New York City, the City of Atlanta or the cities in which the designated corporate trust offices of the Trustee and the Tender Agent are located are required or authorized by law or other governmental action to close, or any day on which The New York Stock Exchange is closed.

“*Code*” means the Internal Revenue Code of 1986, as amended, and all applicable regulations from time to time in effect thereunder.

“*Commodity Price Agreement*” means any commodity price swap or hedge agreement or other commodity price management tool with respect to Project Gas Supplies in connection with a Series of Bonds or Parity Obligations.

“*Credit Facility*” means, with respect to a Series of Bonds, one or more instruments provided by a Credit Facility Issuer, which may include a bond insurance policy, a letter of credit, contract, agreement or similar credit facility, singly or collectively meeting the requirements of this Resolution and having the same Expiration Date, providing for the payment of principal of and interest on such Series of Bonds when regularly due, that in the aggregate satisfy the requirements hereof. A Credit Facility and Liquidity Facility may be one and the same instrument or instruments with respect to any Series of Bonds. If no Credit Facility is in effect with respect to a Series of Bonds, references to the Credit Facility ~~shall~~will be disregarded for such Series.

“*Credit Facility Issuer*” means, if a Credit Facility is in effect, the institution or, if more than one institution, the institutions issuing the Credit Facility; provided, however, that if more than one institution is issuing the Credit Facility, the number or percentage of such institutions required to provide any consent or approval hereunder ~~shall~~will be specified in the Supplemental Resolution issuing the Bonds to which such Credit Facility relates. The Credit Facility Issuer and the Liquidity Facility Issuer may be the same institution or institutions. If no Credit Facility is in effect with respect to a Series of Bonds, references to the Credit Facility Issuer ~~shall~~will be disregarded for such Series.

“*Daily Mode*” means an Interest Mode in which the interest rate on Bonds in such Interest Mode is determined on each Business Day or, in certain circumstances, a calendar day, as set forth in a Supplemental Resolution.

“*Debt Service Reserve Requirement*” ~~shall mean~~means the amounts required to be maintained in the Reserve Account for a Series of Bonds as may be required by Supplemental Resolution. No moneys ~~shall~~will initially be required to be maintained in the Reserve Account.

“*Debt Service Reserve Surety Bond*” means a surety bond credited to the Reserve Fund in lieu of or partial substitution for moneys and securities on deposit therein. The issuer of any such surety bonds ~~shall~~will be an issuer who has been assigned a credit rating accorded by any Rating Agency no lower than the corresponding credit rating on the Bonds.

“*Depository*” ~~shall mean~~means any bank or trust company organized under the laws of any state of the United States or any national banking association selected by the Gas Authority and approved in writing by the Trustee as a depository of moneys and securities held under the provisions of the Resolution, and may include the Trustee; provided that, if the Trustee ~~shall~~will fail to so approve such selection, it ~~shall~~will deliver to the Gas Authority a statement of its reasons for such failure.

“*Designated Officer of the Gas Authority*” means that person or persons as may be from time to time designated in writing delivered to the Trustee, any Credit Facility Issuer and any Liquidity Facility Issuer by the Gas Authority.

“*Designated Signatory of the Credit Facility Issuer*” means that person or persons as may be from time to time designated in a writing delivered to the Trustee and the Gas Authority by a Credit Facility Issuer.

“*Event of Default*” or “*event of default*” means with respect to this Resolution those events of default specified in and defined by Section 7.01 hereof and when used with reference to a Liquidity Facility or Credit Facility, the meaning ascribed to such term in such Liquidity Facility or Credit Facility.

“*Expiration Date*” means the date of expiration of any Credit Facility or Liquidity Facility as set forth therein, as such date may be extended from time to time pursuant to the terms of such Credit Facility or Liquidity Facility.

“*Fitch*” means Fitch Ratings, its successors and assigns and, if such corporation ~~shall~~will be dissolved or liquidated or ~~shall~~will no longer issue ratings on obligations of a type similar to the Bonds, “Fitch” ~~shall~~will be deemed to refer to any other nationally recognized securities rating agency (other than S&P or Moody’s) designated by the Gas Authority, by written notice to the Trustee.

“*Fixed Interest Rate*” means a non-floating interest rate or rates on Bonds established in accordance with the terms of a Supplemental Resolution.

“*Fixed Mode*” means an Interest Mode in which Bonds in such Interest Mode bear interest at a Fixed Interest Rate, pursuant to the terms of a Supplemental Resolution.

“*Flexible Mode*” means any Interest Mode other than the Fixed Mode, the Daily Mode, the Weekly Mode or the Monthly Mode, in which the interest rate on the related Series of Bonds is a variable rate determined at such intervals, and pursuant to such criteria and other terms and conditions, as are provided for in the related Supplemental Resolution.

“*Flexible Period*” means, with respect to any Series of Bonds in a Flexible Mode, each consecutive period or periods established pursuant to the terms of a Supplemental Resolution, during which such Series of Bonds ~~shall~~will bear interest at the Flexible Rate; provided, however, that the first day immediately following the last day of each Flexible Period ~~shall~~will be a Business Day.

“*Funds*” means the funds created pursuant to Article IV hereof.

“*Gas*” means all natural gas, coal seam gas, coalbed methane, shale gas, casinghead gas, and gaseous hydrocarbons, including liquids and liquefiables, and any mixture of hydrocarbons or of hydrocarbons and non-combustible gases and liquids.

“*Gas Authority*” ~~shall mean~~means the Municipal Gas Authority of Georgia, a public body corporate and politic, a public corporation and instrumentality of the State of Georgia organized and existing under the Act, and its successors and assigns.

“*Gas Supply Contracts*” means each contract, as amended, entered into between a Participating Member and the Gas Authority providing for the payment of a portion of the Gas Authority’s Annual Authority Budget and for the obligation of the Participating Member to take its requirements of gas from the Gas Authority.

“*General Fund*” means the Gas Authority’s General Fund.

“*Georgia Members*” means the City of Adairsville, the City of Adel, the City of Albany, the City of Americus, the City of Andersonville, the City of Ashburn, the City of Bainbridge, the City of Blakely, the City of Bowman, the City of Buford, the City of Byron, the City of Cairo, the City of Camilla, the City of Claxton, the City of Cochran, the City of Colquitt, the City of Commerce, the City of Covington, the City of Dawson, Decatur County, the City of Doerun, the City of Donalsonville, the City of Douglas, the City of Dublin, the City of Eatonton, the City of Edison, the City of Elberton, the City of Fitzgerald, the City of Fort Valley, the City of Grantville, the City of Greensboro, the City of Hartwell, the City of Hawkinsville, the City of Hogansville, the City of LaFayette, the City of Lawrenceville, the City of Louisville, the City of Lumpkin, the City of Madison, the City ~~of Manchester, the City~~ of Millen, the City of Monroe, the City of Monticello, the City of Moultrie, the City of Nashville, the City of Pelham, the City of Perry, the City of Quitman, the City of Royston, the City of Social Circle, the City of Sparta, the City of Statesboro, the City of Sugar Hill, the City of Summerville, the City of Sylvania, the City of Sylvester, the City of Thomasville, the City of Thomson, the City of Tifton, the City of Toccoa, the Town of Trion, the City of Union Point, the City of Vienna, the City of Warner

Robins, the City of Waynesboro, the City of West Point and the City of Winder, each a municipal corporation of the State of Georgia.

“*Government Obligations*” means (a) direct obligations of the United States of America for the full and timely payment of which the full faith and credit of the United States of America is pledged and (b) obligations issued by a Person controlled or supervised by and acting as an instrumentality of the United States of America, the full and timely payment of the principal of, premium, if any, and interest on which is fully guaranteed as a full faith and credit obligation of the United States of America (including any securities described in (a) or (b) issued or held in book-entry form on the books of the Department of Treasury of the United States of America), which obligations, in either case, are not subject to redemption prior to maturity at the option of anyone other than the holder thereof.

“*Holder*” or “*Holders*” means the holder or counterparty to any Parity Obligations.

“*Indemnity Share Members*” means the City of Alexander City, Alabama, the East Central Alabama Gas District, City of Lanett, Alabama, Maplesville Water Works and Gas District, The Utilities Board of the City of Roanoke, Town of Rockford, Alabama, Town of Wadley, Alabama, and Water, Sewer and Gas Board of the Town of Wedowee, Alabama, each a municipal corporation, a gas board, or a gas district of the State of Alabama, Town of Havana, Florida, City of Jasper, Florida and City of Quincy, Florida, each a municipal corporation of the State of Florida, and Lawrenceburg Board of Public Utilities, a utility system of the State of Tennessee, Borough of Chambersburg, a municipal corporation of the State of Pennsylvania.

~~“*Interest Account*” means the Interest Account created within the Debt Service Fund by Article IV hereof. Within the Interest Account, there are an Authority Payment Subaccount and a Credit Facility Subaccount.~~

“*Interest Mode*” means a period of time relating to the frequency with which the interest rate on the Bonds is determined pursuant to Section 2.05 hereof. An Interest Mode may be a Flexible Mode, a Daily Mode, a Weekly Mode, a Monthly Mode or a Fixed Mode.

“*Interest Payment Date*” means the date on which an interest installment is required to be paid on the Bonds to the holders thereof, which ~~shall will~~ be as to any Daily Mode, Weekly Mode or Monthly Mode, the first Business Day of each month; as to any Fixed Mode, commencing the earlier of (x) the first day of the month in which principal on such Series of Bonds comes due or (y) the first day of the sixth month preceding the month in which principal on such Series of Bonds comes due, and then semiannually thereafter; as to any Flexible Mode, the Business Day following the last day of the Flexible Period; and as to any Bank Bond, the first Business Day of each month and any date on which such Bank Bond is remarketed to a third party, and as to all Bonds, the maturity date of the Bonds and any additional dates as ~~shall will~~ be set forth as to any Series of Bonds in the Supplemental Resolution issuing such Series.

“*Interest Period*” means, with respect to the Bonds in any Interest Mode, the period from and including an Interest Payment Date to and including the date immediately preceding the next Interest Payment Date (except when a new Interest Mode is going into effect as of the first calendar day of the month, in which case interest ~~shall will~~ accrue from and including an Interest

Payment Date to and including the last day of the month), or as ~~shall~~will be set forth as to any Series of Bonds in the Supplemental Resolution issuing such Series.

“*Investment Company*” means an open and diversified management investment company registered under the Investment Company Act of 1940, as amended.

“*Lenders*” means the financial institutions party to any Parity Bank Obligations from time to time as lenders.

“*Liquidity Facility*” means, with respect to a Series of Bonds, one or more instruments provided by a Liquidity Facility Issuer, singly or collectively meeting the requirements of this Resolution, and having the same Expiration Date, providing for the payment of the Tender Purchase Price of such Series of Bonds and otherwise in the aggregate satisfying the requirements hereof. A Liquidity Facility and a Credit Facility may be one and the same instrument with respect to any Series Bonds. If no Liquidity Facility is in effect with respect to a Series of Bonds, references to the Liquidity Facility ~~shall~~will be disregarded for such Series.

“*Liquidity Facility Issuer*” means, if a Liquidity Facility is in effect, the institution, or, if more than one institution, the institutions issuing the Liquidity Facility; provided, however, that if more than one institution is issuing the Liquidity Facility, the number or percentage of such institutions required to provide any consent or approval hereunder ~~shall~~will be specified in the Supplemental Resolution issuing the Bonds to which such Liquidity Facility relates. The Liquidity Facility Issuer and the Credit Facility Issuer may be the same institution or institutions. If no Liquidity Facility is in effect with respect to a Series of Bonds, references to the Liquidity Facility Issuer ~~shall~~will be disregarded for such Series.

“*Monthly Mode*” means an Interest Mode in which the interest rate on Bonds in such Interest Mode is determined in monthly intervals.

“*Moody’s*” means Moody’s Investors Service, Inc., a corporation organized and existing under the laws of the State of Delaware, its successors and assigns and, if such corporation ~~shall~~will be dissolved or liquidated or ~~shall~~will no longer issue ratings on obligations of a type similar to the Bonds, “Moody’s” ~~shall~~will be deemed to refer to any other nationally recognized securities rating agency (other than S&P or Fitch) designated by the Gas Authority, by written notice to the Trustee.

“*Notice of Default*” means a notice delivered pursuant to and in accordance with either a Liquidity Facility or Credit Facility, or both, as a result of the occurrence of certain events of default thereunder.

“*Operating Expenses*” means the reasonable and necessary costs of the Gas Authority’s operations, including salaries, wages, employee benefits and other compensation, the payment of any contractual obligations incurred pertaining to the Gas Authority’s operations, costs of materials and supplies, rentals of leased property, real or personal, insurance premiums, audit fees, fees and expenses of the Trustee, contractual obligations to the Participating Members relating to the Gas Supply Contracts and Supplemental Contracts, including specifically but not limited to all expenses in obtaining gas supply from all sources, including fuel, expenses incurred

in providing transportation, storage and load management services, swap payments and payments to be made to counterparties to any Commodity Price Agreement (other than any Settlement Amount due under any such Commodity Price Agreement, which ~~shall~~will be payable as a Subordinate Obligation) relating to any rights to or volumes of natural gas acquired or held by the Gas Authority, and such other charges as may be properly made for the purpose of the Gas Authority's operations, maintenance and repair in accordance with sound business practice, but before making provision for depreciation and amortization.

The terms "*Outstanding*" and "*Bonds outstanding*," when used with reference to Parity Obligations, other than Bonds, means Parity Obligations that have not been paid in full by the Gas Authority, and, when used with reference to Bonds, means all Bonds which have been duly authenticated and delivered by the Trustee or the Tender Agent as the case may be, under this Resolution, except:

1. Bonds canceled after purchase in the open market or because of payment at or redemption prior to maturity;
2. Bonds for the payment or redemption of which moneys or Government Obligations ~~shall~~will have theretofore been deposited with the Trustee or the Tender Agent, whether upon or prior to the maturity or redemption date of any such Bonds; provided, that if such Bonds are to be redeemed prior to the maturity thereof, notice of such redemption ~~shall~~will have been given or arrangements satisfactory to the Trustee ~~shall~~will have been made therefor, or waiver of such notice satisfactory in form to the Trustee, ~~shall~~will have been filed with the Trustee, and provided further that the Trustee ~~shall~~will be furnished with and ~~shall~~will be entitled to rely upon an opinion of counsel that all requirements of the Resolution with respect to the payment or redemption of Bonds upon or prior to the maturity thereof have been satisfied;
3. Bonds in lieu of which others have been authenticated under Sections 2.07, 2.08 or 2.09; or
4. Bonds acquired by the Gas Authority.

"*Parity Bank Obligations*" means any loan agreement, line of credit or similar agreement or obligation entered into from time to time by the Gas Authority with the Lenders to finance or refinance the Project.

"*Parity Commercial Paper Notes*" has the meaning provided in Section 2.14.

"*Parity Indemnity Obligation*" means Parity Indemnity Obligations entered into from time to time by the Gas Authority as provided in subsection (j) of Section 2.13.

"*Parity Obligation*" means any Parity Commercial Paper Notes, Parity Rate Hedging Agreement Obligation, Parity Reimbursement Obligation, Parity Bank Obligation or Parity Indemnity Obligation authenticated and delivered in accordance with and Outstanding pursuant to this Resolution. For purposes of Section 7.03, any Parity Obligation ~~shall~~will specify, to the extent applicable, the interest and principal components of, or the scheduled payments

corresponding to interest and other amounts due from the Gas Authority under, such Parity Obligation.

“*Parity Rate Hedging Agreement Obligation*” has the meaning provided in subsection (h) of Section 2.13.

“*Parity Reimbursement Obligation*” has the meaning provided in subsection (d) of Section 2.13.

“*Participating Members*” means the Georgia Members and the Indemnity Share Members.

“*Person*” means natural persons, firms, associations, corporations and public bodies.

“*Portfolio ~~HIV~~ Bond Resolution*” means the Gas Authority’s Amended and Restated Gas Revenue Bond Resolution (Gas Portfolio ~~HIV~~ Project), adopted ~~February 25~~June 22, 2009~~2016~~.

~~“*Principal Account*” means the Principal Payment Account created within the Debt Service Fund by Article IV hereof. Within the Principal Account there are an Authority Payment Subaccount and Credit Facility Subaccount.~~

“*Principal Office*” of a person means the office of such person at the address specified in Section 12.04 of this Resolution or in a Supplemental Resolution relating to a particular Series of Bonds, as applicable.

“*Project*” means the development of a portfolio of ~~Project~~ Gas Supplies for provision to the Participating Members through the acquisition, construction or development of any plant, works, system, facility, and real and personal property of any nature whatsoever, together with all parts thereof and appurtenances thereto, and any contract rights, relating to the storage, acquisition, administration, exploration, production, distribution, enrichment, transmission, purchase, sale, exchange, or interchange of Gas and relating to the acquisition, extraction, conversion, transportation, storage, or processing of fuel of any kind for any such purposes, or any interest in, or right to the use, services, enrichment, output, or capacity of any such plant, works, system, or facilities. “Project” as used in this paragraph is intended to include contracts and contract rights as well as tangible property, and including further any (i) major renewals, replacements, repairs, additions, betterments, and improvements necessary to keep such project in good operating condition; (ii) any major additions, improvements, repairs and modifications thereto; (iii) any disposal of a Project required by any governmental agency having jurisdiction over the Project; and (iv) working capital related thereto.

“*Project Agreements*” means any agreements, contracts, certificates and any or all other documents evidencing the Gas Authority’s interest in the Project.

“*Project Fund*” means the fund by that name created pursuant to Article IV hereof.

“*Qualified Investments*” means any investment that the Gas Authority designates to the Trustee by written notice of the Designated Officer of the Gas Authority; provided that such investment ~~shall~~will be rated A3/P-2 or better by Moody’s, A-/A-2 or better by S&P or A-/F2

by Fitch and repurchase agreements meeting the qualifications set forth in Section 4.14 of this Resolution.

“Qualified Rate Hedge Agreement” means, to the extent from time to time permitted by law, with respect to any Series of Bonds, any financial arrangement (i) which is entered into by the Gas Authority with an entity that is a Qualified Rate Hedge Provider at the time the arrangement is entered into, (ii) which is a cap, floor or collar, forward rate, future rate, swap (such swap may be used in an amount equal either to the principal amount of such Series of Bonds as may be designated or a notional principal amount relating to all or a portion of the principal amount of such Series of Bonds), asset, index, price or market linked transaction or agreement, or other exchange or rate protection transaction agreement, or similar transaction (however designated), or any combination thereof, or any option with respect to any of the foregoing, executed by the Gas Authority, and (iii) which has been designated as a Qualified Rate Hedge Agreement with respect to such Series of Bonds in a written determination signed by a Designated Officer of the Gas Authority and delivered to the Trustee and any Credit Facility Issuer and Liquidity Facility Issuer for such Series of Bonds.

“Qualified Rate Hedge Provider” means an entity whose ratings with respect to its senior, long-term, unsecured debt obligations or deposits, or whose financial program, counterparty, or claims paying ability ratings, at the time of the execution of a Qualified Rate Hedge Agreement, are at least “AA-” by S&P, “Aa3” by Moody’s or “AA-” by Fitch (or whose payment obligations under such Qualified Rate Hedge Agreement are guaranteed or insured by such an entity); provided, however, that in the event such entity (or guarantor or insurer, as applicable) ~~shall~~will fail to maintain both of the foregoing ratings, the Qualified Rate Hedge Agreement ~~shall~~will provide for such entity (or guarantor or insurer, as applicable) to post collateral in the form of cash or Government Obligations in respect of any Settlement Amount that may become due to the Gas Authority under the terms of the Qualified Rate Hedge Agreement, such Settlement Amount and the value of any posted collateral to be determined with such frequency as the Gas Authority may reasonably determine.

“Rating Agency” means Moody’s, S&P, Fitch, or any nationally recognized rating agency then rating the Bonds.

“Rebate Analyst” means any independent certified accounting firm, fiscal advisor, or bond counsel qualified to compute any amounts required to be rebated to the United States to maintain the exclusion of interest on the Bonds from gross income for federal tax purposes.

“Record Date” means, while the Bonds are in a Daily Mode, a Weekly Mode or a Monthly Mode, the Business Day prior to the Interest Payment Date; while the Bonds are in a Flexible Mode the Business Day immediately preceding the first day of each Flexible Period; and while the Bonds are in a Fixed Mode, the Business Day 15 days prior to the Interest Payment Date.

“Reimbursement Agreement” means with respect to any Series of Bonds for which a Credit Facility or a Liquidity Facility, or both, is in effect, the agreement between the Gas Authority and the Credit Facility Issuer or the Liquidity Facility Issuer, or both, obligating the Gas Authority to reimburse the Credit Facility Issuer or the Liquidity Facility Issuer, or both, for drawings under the Credit Facility or the Liquidity Facility, or both, for such Series.

“*Remarketing Agent*” means the remarketing agent initially specified for any Series of Bonds in the applicable Supplemental Resolution. The “principal office” of the Remarketing Agent ~~shall mean~~ means the office thereof designated by it in writing to the Trustee.

“*Remarketing Agreement*” means any Remarketing Agreement, between the Gas Authority and the Remarketing Agent, applicable to a particular Series of Bonds, and any amendment thereto or replacement therefor.

“*Resolution*” means this instrument as originally executed or as it may from time to time be amended or supplemented pursuant to Article IX hereof.

“*Requisite Holders*” means, as of any date, holders of Bonds and Parity Obligations holding in excess of 50% of the aggregate principal amount of the Outstanding Bonds and Parity Obligations. When the term “Requisite Holders” is used with reference to only a specific Series of Bonds, Parity Bank Obligations, Parity Rate Hedging Agreement Obligations or Parity Commercial Paper Notes, such term means, as of any date, holders of in excess of 50% of such Series of Bonds or the category of such Parity Obligations, as the case may be.

“*Revenue Fund*” means the fund by that name created in Article IV hereof.

“*Revenues*” mean all revenues, income, rents and receipts derived by the Gas Authority from or attributable to the ownership and operation of the Project, including all revenues attributable to the Project or to the payment of the costs thereof received by the Gas Authority under the Supplemental Contracts or under any other contract for the sale of gas or other service from the Project or any part thereof or any contractual arrangement with respect to the use of the Project or any portion thereof or the services, output or capacity thereof.

“*S&P*” means Standard & Poor’s Ratings Service, a division of The McGraw Hill Companies Inc., a corporation organized and existing under the laws of the State of New York, its successors and assigns and, if such corporation ~~shall will~~ be dissolved or liquidated or ~~shall will~~ no longer issue ratings on obligations of a type similar to the Bonds, “S&P” ~~shall will~~ be deemed to refer to any other nationally recognized securities rating agency (other than Moody’s or Fitch) designated by the Gas Authority, by written notice to the Trustee.

“*Securities Depository*” ~~shall mean~~ means any securities depository that is 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, operating and maintaining, with its participants or otherwise, a Book-Entry System to record ownership of beneficial interests in bonds and to effect transfers of bonds in Book-Entry Form, and means, initially, The Depository Trust Company, New York, New York.

“*Series*” means any series of Bonds issued hereunder pursuant to a Supplemental Resolution for the purpose of financing the Project.

“*Settlement Amount*” means the amount, if any, that may become due from a party as the result of the termination of a Qualified Rate Hedge Agreement or any Commodity Price

Agreement entered into by the Gas Authority with respect to Project Gas Supplies, but not including scheduled payments during the term of any such Qualified Rate Hedge Agreement or Commodity Price Agreement made pursuant to the provisions thereof. Any Settlement Amount due from the Gas Authority ~~shall~~will be payable from its General Fund and, to the extent provided in a Supplemental Resolution relating to a Series of Bonds, as a Subordinate Obligation hereunder and under such Supplemental Resolution. Any Settlement Amount paid to the Gas Authority ~~shall~~will constitute Revenues hereunder.

“*Sinking Fund Requirement*” means, with respect to a Series of Bonds, any sinking fund requirement as established by the Supplemental Resolution authorizing such Series of Bonds pursuant to which a designated principal amount of the Series of Bonds will be redeemed pursuant to mandatory redemption ~~shall~~will occur no more often than once annually.

“*State*” means the State of Georgia.

“*Subordinate Obligation*” means, to the extent provided for in a Supplemental Resolution relating to a Series of Bonds, (i) any amount due to a Credit Facility Issuer or a Liquidity Facility Issuer (other than amounts due in respect of Bank Bonds or other Bonds held by such party, in which case such party ~~shall~~will be treated as a Holder for all purposes of this Resolution and such Supplemental Resolution) under any Credit Facility or Liquidity Facility relating to such Series of Bonds, (ii) any Settlement Amount due to a Qualified Rate Hedge Provider under a Qualified Rate Hedge Agreement relating to such Series of Bonds, and (iii) any Settlement Amount due to the counterparty to a Commodity Price Agreement with respect to Project Gas Supplies in connection with such Series of Bonds or Parity Obligations.

“*Supplemental Contract*” or “*Supplemental Contracts*” means, collectively, those Gas Portfolio ~~IVV~~ Project Supplemental Contracts, between the Gas Authority and the Georgia Members, as amended, and those Indemnity Share Gas Portfolio ~~IVV~~ Project Supplemental Contracts, between the Gas Authority and the Indemnity Share Members, as amended, pursuant to which the Project and the issuance of the Bonds are authorized.

“*Supplemental Resolution*” means any resolution adopted by the Gas Authority to supplement this Resolution as permitted by Article IX hereof.

“*Tender Agent*” means a commercial bank having fiduciary powers and selected by the Gas Authority in accordance with Section 8.10 hereof, its successors and assigns and any corporation resulting from or surviving any consolidation or merger to which it or its successors may be a party and any successor Tender Agent serving as such under the Tender Agent Agreement.

“*Tender Agent Agreement*” with respect to a Series of Bonds means the Tender Agent Agreement to be entered into in accordance with Section 8.10 hereof by and among the Remarketing Agent, the Trustee, the Gas Authority and the Tender Agent for such Series, and any amendment to or replacements thereof.

“*Tender Purchase Date*” means that date or dates, each of which must be a Business Day, on which Bonds are tendered or deemed tendered for purchase, such date or dates to be established in accordance with the Supplemental Resolution issuing such Bonds.

“*Tender Purchase Price*” means the purchase price to be paid by the Tender Agent for Bonds tendered for purchase pursuant to the terms of the Supplemental Resolution issuing such Bonds.

“*Trust Estate*” means the property described in the Granting Clauses hereof.

“*Weekly Mode*” means an Interest Mode in which the interest rate on Bonds in such Interest Mode is determined in weekly intervals.

SECTION 1.02. *Rules of Interpretation.* For all purposes of this Resolution, except as otherwise expressly provided or unless the context otherwise requires:

(a) “This Resolution” means this instrument as originally executed and as it may from time to time be supplemented or amended pursuant to the applicable provisions hereof.

(b) All references in this instrument to designated “Articles”, “Sections” and other subdivisions are to be designated Articles, Sections and other subdivisions of this instrument as originally executed. The words “herein”, “hereof”, “hereunder” and “herewith”, and other words of similar import, refer to this Resolution as a whole and not to any particular Article, Section or other subdivision.

(c) The terms defined in this Article have the meanings assigned to them in this Article and include the plural as well as the singular.

(d) All accounting terms not otherwise defined herein have the meanings assigned to them in accordance with generally accepted accounting principles.

(e) The terms defined elsewhere in this Resolution ~~shall~~will have the meanings therein prescribed for them.

(f) Words of the masculine gender ~~shall~~will be deemed and construed to include correlative words of the feminine and neuter genders.

(g) The headings used in this Resolution are for convenience of reference only and ~~shall~~will not define or limit the provisions hereof.

(h) Words in the singular include the plural and vice versa.

(i) All other terms not defined herein which are defined in any Credit Facility, Liquidity Facility, Qualified Rate Hedge Agreement, Commodity Price Agreement respecting Project Gas Supplies in connection with any Series of Bonds or Parity Obligations hereunder, Tender Agent Agreement, Gas Supply Contracts,

Supplemental Contracts, Remarketing Agreement and Parity Obligation ~~shall~~will have the meanings assigned to them in the Credit Facility, Liquidity Facility, Qualified Rate Hedge Agreement, Commodity Price Agreement, Tender Agent Agreement, Gas Supply Contracts, Supplemental Contracts, Remarketing Agreement and Parity Obligation, respectively.

(j) All references herein to payment of Bonds and Parity Obligations are references to payment of principal of, premium, if any, and interest on Bonds and principal, interest and other amounts due and owing from the Gas Authority under Parity Obligations.

SECTION 1.03. *Resolution to Constitute Contract.* In consideration of the purchase and acceptance of any and all of the Bonds and Parity Obligations authorized to be issued hereunder by those who ~~shall~~will hold the same from time to time, this Resolution ~~shall~~will be deemed to be and ~~shall~~will constitute a contract between the Gas Authority and the Holders from time to time of the Bonds and Parity Obligations; and the pledge and assignment made in this Resolution and the covenants and agreements herein set forth to be performed on behalf of the Gas Authority ~~shall~~will be for the equal benefit, protection and security of the Holders of any and all of the Bonds and Parity Obligations, all of which, regardless of the time or times of their authentication and delivery or maturity, ~~shall~~will be of equal rank without preference, priority or distinction of any of the Bonds or Parity Obligations over any other thereof except as expressly provided in or permitted by this Resolution.

ARTICLE II

THE BONDS AND OTHER OBLIGATIONS

SECTION 2.01. *Authorization of Issuance of Bonds and Parity Obligations to Fund the Project.*

(a) The Gas Authority is authorized to undertake the acquisition and purchase of the Project in accordance with the Act and to do and perform such acts as may be required to perform such undertaking, all as may be more particularly set forth in the Supplemental Contracts. This Resolution authorizes the Gas Authority to issue Bonds and to issue or enter into Parity Obligations to undertake the Project, upon the terms set forth herein. The aggregate principal amount of Bonds and Parity Obligations that may be issued hereunder is hereby expressly limited to \$~~1,100,000,000~~831,500,000; provided, however, that such maximum principal amount ~~shall~~will be increased from time to time *pro tanto* as Bonds issued pursuant to the Supplemental Contracts, ~~dated as of November 1, 2002~~ (Gas Portfolio ~~III~~IV Project), between the Gas Authority and the Participating Members, as amended, are retired, up to a maximum of \$~~1,500,000,000~~1,000,000,000 in aggregate principal amount outstanding at any one time (other than those issued pursuant to Sections 2.08 and 2.09 hereof). Neither such limitation ~~shall~~will apply to any Qualified Rate Hedge Agreement or Commodity Price Agreement entered into in connection with projects financed by any such Bonds.

(b) The Bonds ~~shall~~will be designated “Municipal Gas Authority of Georgia Gas Revenue Bonds (Gas Portfolio ~~IV~~V Project)” and ~~shall~~will be issued, if and when authorized by

the Gas Authority, by one or more Supplemental Resolutions, in one or more Series and shall will include such further appropriate particular designation added to or incorporated in such title for the Bonds of such particular Series as the Gas Authority may determine. Each Bond shall will bear upon its face the designation so determined for the Series to which it belongs. The original issue date of any Series of Bonds or any Parity Obligations (other than any Series of Bonds or Parity Obligations issued or entered into to refund any Series of Bonds or Parity Obligations) shall will not be later than December 31, ~~2020~~2030, nor shall will any Series of Bonds or Parity Obligations have a final maturity date occurring more than ~~twenty~~thirty years following the date of such Series' original issuance.

(c) Each Series of Bonds shall will be in the form set forth in the Supplemental Indenture providing for the issuance thereof, and may have endorsed thereon such legends of text as may be necessary or appropriate to conform to any applicable rules and regulations of any governmental authority or any usage or requirement of law with respect thereto.

(d) The Bonds shall will be issuable as fully registered certificates without coupons in Authorized Denominations. The Bonds shall will initially be issued in Book-Entry Form and shall will be registered in the name of the Securities Depository or the Securities Depository Nominee as provided in Section 2.03 below unless otherwise specified in a Supplemental Resolution issuing such Bonds. Each Series of the Bonds shall will be numbered from R-1 consecutively upwards, with such Series designation as may be deemed appropriate. The Bonds shall will be substantially in the form hereinabove set forth with such appropriate variations, omissions and insertions as are permitted or required by this Resolution, and may have endorsed thereon such legends or text as may be necessary or appropriate to conform to any applicable rules and regulations of any governmental authority or any usage or requirement of law with respect thereto. This Resolution creates a continuing pledge of the Trust Estate to secure the full and final payment of the principal of and premium, if any, and interest on all Series of Bonds, which may from time to time be executed, authenticated and delivered hereunder, subject to the covenants, agreements, provisions and conditions herein contained.

SECTION 2.02. *Details of Bonds and Parity Obligations; Payment.* All Bonds and Parity Obligations shall will bear a date of authentication. Parity Obligations shall will be payable as provided in the respective Parity Obligation. Bonds authenticated prior to the first Interest Payment Date shall will bear interest from their dated date. Bonds authenticated on or after the first Interest Payment Date thereon shall will bear interest from the Interest Payment Date next preceding the date of the Agent's authentication thereof, unless such date of authentication is an Interest Payment Date to which interest on the Bonds has been paid in full or duly provided for, in which case they shall will bear interest from such Interest Payment Date. Notwithstanding the foregoing, if a Bond is dated after a Record Date, but before an Interest Payment Date, the Bonds shall will bear interest from the next succeeding Interest Payment Date. If, as shown by the records of the Agent, interest on the Bonds shall will be in default, Bonds shall will bear interest from the date to which interest has been paid in full on the Bonds, or if no interest has been paid on the Bonds, the date of original issuance of the applicable Series of Bonds. The principal of and interest on the Bonds shall will be payable in any coin or currency of the United States of America which on the respective dates of payment thereof is legal tender for the payment of public and private debts. Payment of the principal of all Bonds shall will be made

upon the presentation and surrender of such Bonds as the same shall will become due and payable.

Principal of and premium, if any, on the Bonds shall will be payable at the Principal Office of the Agent, and payment of the interest on each Bond shall will be made by the Agent on each Interest Payment Date to the Person appearing as the registered owner thereof as of the close of business on the Record Date preceding the Interest Payment Date by check mailed on the Interest Payment Date to such registered owner at its address as it appears on the registration books maintained by the Agent on the Record Date, or at such other address as is furnished in writing by such registered owner to the Agent prior to the Record Date, notwithstanding the cancellation of any such Bonds upon any exchange or registration of transfer thereof subsequent to the Record Date and prior to such Interest Payment Date; provided, however, that interest on the Bonds, for as long as the Bonds are in Book-Entry form, shall will be paid by wire transfer in immediately available funds in accordance with instructions of the Securities Depository. In the event that the Book-Entry system is not in effect with respect to any Series of Bonds (a) payment of interest on such Series of Bonds may, at the request of the Owner of such Bonds in an aggregate principal amount of at least \$1,000,000, be transmitted by wire transfer of immediately available funds to such owner to the bank account number on file with the Agent, as of the relevant Record Date, and (b) all payments of principal of and interest on Bank Bonds shall will be by wire transfer in immediately available funds to such account of the Liquidity Facility Issuer as the Liquidity Facility Issuer shall will designate in writing to the Agent.

Interest on the Bonds shall will be paid in arrears on each Interest Payment Date. Interest on Bonds in a Fixed Mode shall will be computed on the basis of a 360-day year, consisting of twelve (12) thirty (30) day months; interest on Bonds in a Daily Mode, Weekly Mode, Monthly Mode or Flexible Mode shall will be computed on the basis of a 365 or 366-day year, as applicable, for the number of days actually elapsed; and interest on Bank Bonds shall will be computed on such basis as is set forth in the related Supplemental Resolution.

SECTION 2.03. *Book-Entry Form; Securities Depository; Ownership of Bonds.*

(a) Except as otherwise provided in this Section 2.03, the Bonds of any Series shall will initially be issued in the form of a single Bond for the entire principal amount of each maturity of such Series, shall will be registered in the name of the Securities Depository or the Securities Depository Nominee, and ownership thereof shall will be maintained in Book-Entry Form by the Securities Depository for the account of the Beneficial Owners thereof. Initially, the Bonds of any Series shall will be registered in the name of Cede & Co., as the nominee at the Depository Trust Company. Except as provided in subsection (c) of this Section 2.03, the Bonds of any Series may be transferred, in whole but not in part, only to the Securities Depository or the Securities Depository Nominee, or to a successor Securities Depository or Securities Depository Nominee selected or approved by the Gas Authority. The Person in whose name any Bond shall will be registered shall will be the absolute owner thereof for all purposes, and payment of or on account of the principal of and premium, if any, and interest on any such Bond shall will be made only to or upon the order of the registered owner thereof or the registered owner's legal representative.

(b) So long as any Bonds are registered in Book-Entry Form, the Gas Authority and the Trustee may treat the Securities Depository as, and deem the Securities Depository to be, the absolute owner of such Bonds for all purposes whatsoever, including without limitation:

- (i) the payment of principal, premium, if any, and interest on such Bonds;
- (ii) giving notices of redemption and other matters with respect to such Bonds;
- (iii) registering transfers with respect to such series of Bonds;
- (iv) the selection of Bonds for redemption; and
- (v) obtaining consents under the Resolution.

(c) If at any time the Securities Depository notifies the Gas Authority that it is unwilling or unable to continue as Securities Depository with respect to the Bonds, or if at any time the Securities Depository shall will no longer be registered or in good standing under the Securities Exchange Act of 1934 or other applicable statute or regulation, and a successor Securities Depository is not appointed by the Gas Authority within 90 days after the Gas Authority receives notice of such condition, then this Section 2.03 shall will no longer be applicable, and the Gas Authority shall will execute and the Trustee shall will authenticate and deliver certificates representing the Bonds to the Beneficial Owners. Certificates representing Bonds issued pursuant to this subsection (c) shall will be registered in such names and in such Authorized Denominations as the Securities Depository shall will request.

(d) The Gas Authority and the Trustee shall will not have any responsibility or obligation to any Securities Depository or any Beneficial Owner with respect to (i) the accuracy of any records maintained by the Securities Depository or any Securities Depository participant; (ii) the payment by the Securities Depository or any Securities Depository participant of any amount due to any Beneficial Owner in respect of the principal of and premium, if any, and interest on the Bonds; (iii) the delivery or timeliness of delivery by the Securities Depository or any Securities Depository participant of any notice due to any Beneficial Owner which is required or permitted under the terms of this Resolution to given to Beneficial Owners; (iv) the selection of Beneficial Owners to receive payments in the event of any partial redemption of the Bonds; or (v) any consent given or other action taken by the Securities Depository, or its nominee, as owner.

(e) So long as the Book Entry System of evidence of transfer of ownership of all Bonds is maintained in accordance herewith, the provisions of this Resolution relating to the delivery of physical bond certificates shall will be deemed to give full effect to such Book Entry System.

(f) Payment of principal, premium, if any, and interest on the Bonds of any Series not existing in Book-Entry Form shall will be made as provided in Section 2.02 of this Resolution.

SECTION 2.04. *Payment; Execution; Limited Obligation.* The Bonds ~~shall~~will be executed on behalf of the Gas Authority with the official manual or facsimile signature of an authorized officer of the Gas Authority and attested with the official manual or facsimile signature of an authorized officer of the Gas Authority and ~~shall~~will have impressed or printed thereon the corporate seal of the Gas Authority. In case any officer whose signature or facsimile of whose signature ~~shall~~will appear on the Bonds ~~shall~~will cease to be such officer or member before the completion, authentication and delivery of such Bonds, such signature or such facsimile ~~shall~~will nevertheless be valid and sufficient for all purposes, the same as if he had remained in office until completion, authentication and delivery.

The Bonds and the Parity Obligations ~~shall~~will not constitute a debt of, a loan by, or a pledge of the faith and credit of the State of Georgia or of any political subdivision thereof. The Bonds and the Parity Obligations ~~shall~~will be direct and general obligations of the Gas Authority to which, together with the Bonds of all Series and any Parity Obligations, the Gas Authority has pledged the Trust Estate. Neither the issuance of the Bonds nor the issuing or entering into of any Parity Obligations ~~shall~~will obligate the state or any political subdivision thereof to levy or pledge any form of taxation whatever for the payment thereof. No owner of any Bond, holder of any Parity Obligation and no receiver or trustee in connection therewith ~~shall~~will have the right to enforce the payment of such Bond or any Parity Obligation against any property of the state or of any political subdivision thereof; nor ~~shall~~will such Bond or any Parity Obligation constitute a charge, lien, or encumbrance, whether legal or equitable, upon any such property. The Gas Authority has no taxing power.

No recourse ~~shall~~will be had for the payment of the principal of or premium, if any, or interest on the Bonds or any Parity Obligation for any claim based hereon or thereon or upon any obligation, covenant, or agreement contained herein or therein against any past, present or future member, commissioner, officer, agent or employee of the Gas Authority or any Participating Member, or any incorporator, member, commissioner, director, trustee, officer or employee of any successor of the Gas Authority, either personally or as such, either directly or through the Gas Authority, under any rule of law or equity, statute or constitution or by the enforcement of any assessment or penalty or otherwise, and all such liability of any such incorporator, member, commissioner, director, trustee, officer or employee, as such personally is waived and released as a condition of any consideration for the execution of this Resolution, the issuance of the Bonds and the issuing or entering into of any Parity Obligation.

SECTION 2.05. *Maturities, Interest Rates and Payment Provisions for Bonds and Parity Obligations.* Bonds and Parity Obligations may be issued pursuant to this Resolution in the maturity or maturities, bearing interest at a fixed or variable rate or rates of interest as set forth (or determined as set forth), and may be subject to tender on demand by holders thereof as set forth in the Supplemental Resolution authorizing the issuance thereof.

SECTION 2.06. *Authentication.* The Bonds and the Parity Obligations ~~shall~~will not be valid or obligatory for any purpose or entitled to any security or benefit under this Resolution unless and until a certificate of authentication on such Bond or Parity Obligation substantially in the form herein above set forth ~~shall~~will have been duly executed by the Agent, and such executed certificate of the Agent upon any such Bond or Parity Obligation ~~shall~~will be

conclusive evidence that such Bond or Parity Obligation has been authenticated and delivered under this Resolution. The certificate of authentication on any Bond or Parity Obligation shall will be deemed to have been executed by the Agent if signed by an authorized officer or signatory of the Agent, but it shall will not be necessary that the same officer or signatory sign the certificate of authentication on all of the Bonds and Parity Obligations.

SECTION 2.07. *Delivery of Bonds and Parity Obligations.* Prior to the initial authentication by the Agent of any Series of Bonds or Parity Obligation, there shall will be filed with the Trustee and the Tender Agent, in the case of Bonds, or with the Trustee, in the case of Parity Obligations, as applicable:

- (a) With respect to any Series of Bonds,
 - (i) A certified copy of this Resolution;
 - (ii) A certified copy of a Supplemental Resolution of the Gas Authority specifying (A) the authorized principal amount, designation and Series of such Bonds, (B) the purposes for which such Series of Bonds is being issued, (C) the maturity date of such Series of Bonds, (D) the interest rates for such Series of Bonds or initial Interest Mode or Interest Modes therefor, and the methods for determination of the interest rate or interest rates, (E) the Debt Service Reserve Requirement and Sinking Fund Reserve Requirement, if any, (F) the form of Bond for such Series, (G) the interest provisions for Bank Bonds, if any, with respect to such Series (which provisions may provide for reference to the applicable Credit Facility or Liquidity Facility, as the Gas Authority may determine), (H) the application of the proceeds of such Series, (I) the provision for the funding of the increase, if any, in the Debt Service Reserve Requirement resulting from the issuance of such Bonds either from (x) the proceeds of such Bonds or (y) from approximately equal monthly deposits to the Reserve Fund pursuant to Section 4.07(e) of this Resolution, which in the aggregate shall will be sufficient to fund the Reserve Fund in the amount of the Debt Service Reserve Requirement within the time specified in the Supplemental Resolution authorizing the issuance of such Series of Bonds, (J) whether any such Series of Bonds shall will be subject to redemption prior to maturity thereof, and the terms applicable to such redemption, (K) whether any such Series of Bonds shall will be subject to mandatory tender or on demand, or both, by any holder thereof, the terms applicable to any such tender, including, but not limited to, whether a Liquidity Facility shall will be in effect with respect to such Bonds, whether any moneys of the Gas Authority applied to the payment of the principal of or interest on such Bonds are required to be held by the Gas Authority for any period of time prior to such application, whether such Bonds shall will be remarketed, and the specification of any rights the holders of such Bonds shall will have to cause them to be purchased by the Gas Authority from time to time, (L) the form of requisition certificate for withdrawal by the Gas Authority of proceeds of such Series deposited into the Project Fund, (M) the pledge, if any, by the Gas Authority, on a subordinate basis, of the Trust Estate to secure the payment of amounts due to the Credit Facility Issuer,

Liquidity Facility Issuer and Qualified Hedge Provider, if any, with respect to the related Series of Bonds, and (N) any other details pertinent to such Series;

(iii) An opinion of Bond Counsel of recognized standing in the field of law relating to municipal bonds, addressed to the Trustee, Tender Agent and the Gas Authority to the effect that (A) the Gas Authority has the right and power under the Act as amended to the date of such opinion to adopt this Resolution and any Supplemental Resolution pertaining to the Series of Bonds, and this Resolution and such Supplemental Resolution have been duly and lawfully adopted by the Gas Authority, are in full force and effect and are valid and binding upon the Gas Authority in accordance with their terms, subject to the application of bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights and judicial discretion in appropriate cases, and no other authorization pertaining to the Bonds of such Series is required; (B) this Resolution and any Supplemental Resolution pertaining to the Series of Bonds create the valid pledge that each purports to create of the Revenues, moneys, securities and funds held or set aside under this Resolution and any such Supplemental Resolution, subject to the conditions permitted by this Resolution and any such Supplemental Resolution; (C) the Bonds are valid and binding direct obligations of the Gas Authority as provided in this Resolution and any such Supplemental Resolution, are entitled to the benefits of this Resolution and any such Supplemental Resolution and of the Act as amended to the date of such Opinion, and have been duly and validly authorized and issued in accordance with law, including the Act as amended to the date of such Opinion, and in accordance with this Resolution and any such Supplemental Resolution; (D) the Liquidity Facility and the Credit Facility, if any, for such Series substantially conform to the requirements of this Resolution and any such Supplemental Resolution; and (E) if the Bonds are marketed as obligations the interest on which is excludable from the gross income of the holders thereof for federal income tax purposes, an opinion of Bond Counsel that interest on the Bonds is excluded from gross income of the holders for federal income tax purposes;

(iv) A written order as to the delivery of such Bonds, signed by a Designated Officer of the Gas Authority;

(v) If a Credit Facility is to be in effect with respect to the Series of Bonds, the original documents evidencing the Credit Facility, or, if applicable, the Alternate Credit Facility or amendment to the Credit Facility sufficient to meet the requirements of a Credit Facility for such Series of Bonds, together with an opinion of counsel to the Credit Facility Issuer addressed to the Gas Authority, Trustee and Tender Agent to the effect that:

(A) The Credit Facility, Alternate Credit Facility or amendment to the Credit Facility, as applicable, constitutes a valid and binding obligation of the Credit Facility Issuer, enforceable in accordance with its terms;

(B) The Credit Facility, Alternate Credit Facility or amendment to the Credit Facility, as applicable, has been duly authorized, executed and delivered and is valid and binding on the Credit Facility Issuer; and

(C) The Credit Facility, Alternate Credit Facility or amendment to the Credit Facility, as applicable, is not subject to registration under the Securities Act of 1933, as amended.

(vi) If a Liquidity Facility is to be in effect with respect to the Series of Bonds (other than any Series of Bonds in a Fixed Mode), the original documents evidencing the Liquidity Facility, or, if applicable, the Alternate Liquidity Facility or amendment to the Liquidity Facility sufficient to meet the requirements of a Liquidity Facility for such Series of Bonds together with an opinion of counsel to the Liquidity Facility Issuer addressed to the Gas Authority, Trustee and Tender Agent to the effect that:

(A) The Liquidity Facility, Alternate Liquidity Facility or amendment to the Liquidity Facility, as applicable, constitutes a valid and binding obligation of the Liquidity Facility Issuer, enforceable in accordance with its terms;

(B) The Liquidity Facility, Alternate Liquidity Facility or amendment to the Liquidity Facility, as applicable, has been duly authorized, executed and delivered and is valid and binding on the Liquidity Facility Issuer;

(C) The Liquidity Facility, Alternate Liquidity Facility or amendment to Liquidity Facility, as applicable, is not subject to registration under the Securities Act of 1933;

(vii) Certified Copies of the Gas Supply Contracts and the Supplemental Contracts to the extent not previously provided;

(viii) Executed counterparts of the Remarketing Agreement and the Tender Agent Agreement, if any;

(ix) a Certificate of the Gas Authority stating that no Series of Bonds or Parity Obligation outstanding is in default as to principal or interest and that the Gas Authority is otherwise in compliance in all material respects with all of the terms and provisions of this Resolution, with the Supplemental Resolution authorizing the issuance of any Outstanding Series of Bonds and with any outstanding Parity Obligation;

(x) A written statement from the Trustee that the Trustee has not been notified of any Event of Default or any event which, with notice or lapse of

time, or both, would ripen into such an Event of Default under this Resolution, any Supplemental Resolution or Parity Obligation;

(xi) If a currently outstanding Series of Bonds is rated by any such Rating Agency, ratings letters from any Rating Agency, as applicable, that assigns a rating to the new Series of Bonds; and

(xii) Such other documents, certificates and opinions as may be required by Bond Counsel rendering the opinion required by Section (iii) above.

(b) In the case of any Parity Obligation issued under the terms of this Resolution (other than Parity Commercial Paper Notes, which shall will be subject to the provisions set forth for in paragraph (a) of this Section 2.07), (i) items set forth in Sections (a) (i), (a) (ii)(as expressed in the form of an agreement, document or instrument to reflect the applicable terms of the relevant Parity Obligation), (a) (iii) and (a) (vii) to the extent not theretofore delivered by the Gas Authority pursuant to this Resolution, and (a) (ix), (a) (x) and (a) (xii), to the extent applicable to any such Parity Obligation, (ii) the fully executed agreement, document or instrument representing such Parity Obligation, specifying the terms and conditions relating to such Parity Obligation, and such matters relative thereto, as the Gas Authority may determine; and (iii) such further documents, moneys and securities as may be required hereby or by any Supplemental Resolution adopted pursuant to Article IX.

SECTION 2.08. *Mutilated, Lost, Stolen or Destroyed Bonds.* If any Bond is mutilated, lost, stolen or destroyed, the Gas Authority shall will execute and the Agent shall will authenticate a new Bond of the same Series, date, maturity and denomination as that mutilated, lost, stolen or destroyed; provided that in the case of any mutilated Bond, such mutilated Bond shall will first be surrendered to the Agent, and in the case of any lost, stolen or destroyed Bond, there shall will be first furnished to the Gas Authority and the Agent evidence of such loss, theft or destruction satisfactory to the Gas Authority and the Agent, together with an indemnity satisfactory to them. In the event any such Bond shall will have matured or been called for redemption, instead of issuing a duplicate Bond, the Gas Authority may pay the same. The Gas Authority and the Agent may charge the owner of such Bond with their reasonable fees and expenses in connection with replacing any Bond mutilated, lost, stolen or destroyed.

SECTION 2.09. *Registration of Transfer and Exchange of Bonds; Persons Treated as Owners.* The Gas Authority shall will cause books for the registration of transfer of the Bonds as provided in this Resolution to be kept by the Agent.

Upon surrender for registration of transfer of any Bond at the Principal Office of the Agent, duly endorsed for registration of transfer or accompanied by an assignment duly executed by the registered owner or his attorney duly authorized in writing, the Agent shall will execute and authenticate, and the Agent shall will deliver, in the name of the transferee or transferees a new Bond or Bonds for a like aggregate principal amount as those surrendered.

Bonds may be exchanged at the principal office of the Agent for an equal aggregate principal amount of Bonds of the same maturity, interest rate, aggregate principal amount and

tenor and of any authorized denomination or denominations. The Gas Authority shall will execute and the Agent shall will authenticate and deliver Bonds which the Bondholder making the exchange is entitled to receive, bearing numbers not contemporaneously outstanding.

The Person in whose name any Bond shall will be registered shall will be deemed and regarded by the Trustee, the Gas Authority, and Tender Agent, and Remarketing Agent, the Credit Facility Issuer, and the Liquidity Facility Issuer as the absolute owner thereof for all purposes, and payment of or on account of the principal of or interest on or Tender Purchase Price of any Bond shall will be made only to or upon the written order of the registered owner thereof or his legal representative and neither the Gas Authority nor the Trustee, the Liquidity Facility Issuer, the Credit Facility Issuer, the Remarketing Agent, or the Tender Agent shall will be affected by any notice to the contrary, but such registration may be changed as herein above provided. All such payments shall will be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums paid.

While in a Fixed Mode or, if so provided in the related Supplemental Resolution, a Flexible Mode, and except in connection with a mandatory tender, the Agent will not be required to (i) register the transfer of or exchange any Bond (unless a Bank Bond) during the period of 15 days next preceding the day upon which notice of redemption of such Bonds is to be made or (ii) register the transfer of or exchange any such Bonds selected, called or being called for redemption in whole or in part.

The Agent shall will require the payment by any Bondholder requesting exchange or transfer of a sum sufficient to cover any tax or other governmental charge required to be paid with respect to such exchange or transfer.

SECTION 2.10. *Destruction of Bonds.* Whenever any Outstanding Bond shall will be delivered to the Agent for cancellation pursuant to this Resolution, upon payment of the principal amount thereof or for replacement or registration of transfer or exchange pursuant to the terms hereof, such Bond shall will be canceled and destroyed by the Agent and a certificate of destruction evidencing such destruction shall will be furnished by the Agent to the Gas Authority.

SECTION 2.11. *Temporary and Book Entry Bonds.* Pending the preparation of definitive Bonds, or, if the Bonds of any Series are to be in Book-Entry Form, the Gas Authority may execute, and the Agent shall will authenticate and deliver, temporary Bonds. Temporary Bonds shall will be issuable as fully registered Bonds of any denomination and substantially in the form of the definitive Bonds but with such omissions, insertions and variations as may be appropriate for temporary Bonds. Every temporary Bond shall will be authenticated by the Agent upon the same conditions and in substantially the same manner, and with like effect, as the definitive Bonds. As promptly as practicable, the Gas Authority shall will execute and shall will furnish definitive Bonds and thereupon temporary Bonds may be surrendered in exchange therefor without charge at the Principal Office of the Agent, and the Agent shall will authenticate and deliver in exchange for such temporary Bonds a like aggregate principal amount of definitive Bonds. Until so exchanged, the temporary Bonds shall will be entitled to the same benefits under this Resolution as definitive Bonds.

SECTION 2.12. *Nonpresentment of Bonds.* In the event any Bond shall will not be presented for payment when the principal thereof becomes due, either at maturity, or at the date fixed for prepayment thereof, or otherwise, or if any interest check shall will not be cashed, or if any Bond to be purchased pursuant to the terms hereof shall will not be presented for purchase if funds sufficient to pay such Bond or interest or Tender Purchase Price (the “Available Funds”) shall will have been made available pursuant to the Liquidity Facility or from the proceeds of remarketing or pursuant to the Credit Facility (with respect to regularly scheduled principal and interest payments), to the Agent for the benefit of the owner thereof, except as provided below, all liability of the Gas Authority to the owner thereof or of the Credit Facility Issuer under the Credit Facility or of the Liquidity Facility Issuer under the Liquidity Facility for the payment of such Bond or interest or payment for the purchase of such Bond, as the case may be, shall will forthwith cease, terminate and be completely discharged, and thereupon it shall will be the duty of the Agent to hold such Available Funds, including funds payable pursuant to the terms of the Liquidity Facility or received as remarketing proceeds or pursuant to the Credit Facility uninvested and without liability for interest thereon, for the benefit of the owner of such Bond or for the benefit of the payee of such interest check, as the case may be, who shall will thereafter be restricted exclusively to such Available Funds for any claim of whatever nature on his part under this Resolution or on, or with respect to, said Bond or interest, as the case may be, provided that any money deposited with the Agent for the payment of the principal of or interest on any Bond or Tender Purchase Price of any Bond and remaining unclaimed for two years after such principal or interest or Tender Purchase Price has become due and payable shall will be paid to the Gas Authority and thereafter the Person entitled thereto shall will have no rights except to seek such payments from the Gas Authority as a general unsecured creditor. In addition, if Bonds are not delivered as required on a Tender Purchase Date, the Tender Agent shall will authenticate and deliver a new Bond or Bonds as provided in Section 2.07 hereof.

SECTION 2.13 *Additional Provisions Concerning Credit Facilities; Liquidity Facilities; Qualified Rate Hedge Agreements and Parity Bank Obligations.* (a) The Gas Authority may include such provisions in a Supplemental Resolution authorizing the issuance of a Series of Bonds secured by a Credit Facility or supported by a Liquidity Facility as the Gas Authority deems appropriate and that are not inconsistent with the terms of this Resolution, and no such provisions shall will be deemed to constitute an amendment to this Resolution requiring action under Section 9.01 or 9.02, including:

(1) So long as a Credit Facility or Liquidity Facility is in full force and effect, and payment on the Credit Facility or Liquidity Facility is not in default, then, in all such events, the issuer of the Credit Facility or Liquidity Facility shall will be deemed to be the sole Holder of the Outstanding Bonds the payment of which such Credit Facility or Liquidity Facility secures when the approval, consent or action of the Holders of such Bonds is required or may be exercised under this Resolution, or, in the alternative, when the approval, consent or action of the issuer of the Credit Facility or Liquidity Facility shall will be required in addition to the approval, consent or action of the applicable percentage of the Holders of the Outstanding Bonds under this Resolution, including,

without limitation, Section 9.02, and following the occurrence of an Event of Default; and

(2) In the event that the principal or Redemption Price, if applicable, and interest due on any Outstanding Bonds shall will be paid under the provisions of a Credit Facility, or Bonds shall will be purchased under the provisions of a Liquidity Facility, all covenants, agreements and other obligations of the Gas Authority to the Holders of such Bonds shall will continue to exist and such issuer of the Credit Facility or Liquidity Facility shall will be subrogated to the rights of such Holders in accordance with the terms of such Credit Facility or Liquidity Facility.

(b) In addition, such Supplemental Resolution may establish such provisions as are reasonably necessary in order to induce the Credit Provider or Liquidity Provider, or both, to issue or deliver a Credit Facility or Liquidity Facility in support of the Bonds authorized by such Supplemental Resolution.

(c) In connection therewith, the Gas Authority may enter into such agreements with the issuer of such Credit Facility or such Liquidity Facility providing for, *inter alia*: (i) the payment of fees and expenses to such issuer for the issuance of such Credit Facility or such Liquidity Facility, (ii) the terms and conditions of such Credit Facility or such Liquidity Facility and the Bonds affected thereby and (iii) the security, if any, to be provided for the issuance of such Credit Facility or such Liquidity Facility.

(d) The Gas Authority may secure such Credit Facility or such Liquidity Facility by an agreement providing for the purchase of the Bonds supported thereby with such adjustments to the rate of interest, method of determining interest, maturity or redemption provisions as specified by the Gas Authority in the applicable Supplemental Resolution. The Gas Authority may also in such Supplemental Resolution or in an agreement with the issuer of such Credit Facility or Liquidity Facility agree to reimburse directly such issuer for amounts paid under the terms of such Credit Facility or Liquidity Facility without duplication of any rights to payment such issuer may have as a holder from time to time of Bank Bonds (together with interest thereon, the "Reimbursement Obligation"); *provided, however*, that no Reimbursement Obligation shall will be created, for purposes of this Resolution, until amounts are paid under such Credit Facility or Liquidity Facility. Any such Reimbursement Obligation, which may include interest calculated at a rate higher than the interest rate on the related Bond, shall will be secured by a pledge of, and a lien on, the Trust Estate on a parity with the pledge and lien created by the Granting Clauses of this Resolution to secure the Bonds (a "Parity Reimbursement Obligation").

(e) Any such Credit Facility or Liquidity Facility shall will be for the benefit of and secure such Bonds or portion thereof as specified in the applicable Supplemental Resolution.

(f) Except as otherwise provided in a Supplemental Resolution authorizing Parity Reimbursement Obligations, for the purposes of (i) receiving payment of a Parity Reimbursement Obligation, whether at maturity, upon redemption or if the principal of all Bonds is declared immediately due and payable following the occurrence of an Event of Default, as provided in Section 7.01 of this Resolution, or (ii) computing the principal amount of Bonds held by the Holder of a Parity Reimbursement Obligation in giving to the Gas Authority or the Trustee any notice, consent, request or demand pursuant to this Resolution for any purpose

whatsoever, the principal amount of a Parity Reimbursement Obligation ~~shall~~will be deemed to be the actual principal amount that the Gas Authority ~~shall~~will owe thereon, which ~~shall~~will equal the aggregate of the amounts advanced to, or on behalf of, the Gas Authority in connection with the Bonds to which such Parity Reimbursement Obligation relates, less any prior repayments thereof.

(g) Except as otherwise provided in a Supplemental Resolution and notwithstanding anything to the contrary provided in Section 6.01, Bonds paid or deemed paid with moneys drawn under or pursuant to a Credit Facility ~~shall~~will be deemed to be Outstanding until the Gas Authority has reimbursed the Credit Facility Provider in full for all amounts so drawn and has paid or reimbursed the Credit Facility Provider for interest thereon and for any other amounts and Reimbursement Obligations then due and payable.

(h) The Gas Authority may, to the extent from time to time permitted pursuant to law, enter into Qualified Rate Hedge Agreements. The Gas Authority's obligation to pay any amount under any Qualified Rate Hedge Agreement (other than any Settlement Amount) may be secured by a pledge of, and a lien on, the Trust Estate on a parity with the pledge and lien created by the Granting Clauses of this Resolution to secure the Bonds (a "Parity Rate Hedging Agreement Obligation"), or may be secured by a pledge of, and a lien on, the Trust Estate, which pledge and lien ~~shall~~will be subordinate in all respects to the pledge of the Trust Estate created by this Resolution in favor of the Bonds and Parity Obligations (a "Subordinated Rate Hedging Agreement Obligation"), as determined by the Gas Authority. Notwithstanding the foregoing, Parity Rate Hedging Agreement Obligations ~~shall~~will not include any payments of any Settlement Amount owed to a counterparty to a Qualified Rate Hedge Agreement, which payments, if so secured, ~~shall~~will be Subordinated Rate Hedging Agreement Obligations. The Gas Authority's obligation to pay any Settlement Amount owed to a counterparty under a Commodity Price Agreement may also be secured by a pledge of, and lien on, the Trust Estate, which pledge and lien, if so granted in the applicable Supplemental Resolution, ~~shall~~will be subordinate in all respects to the pledge of the Trust Estate created by this Resolution in favor of the Bonds and Parity Obligations.

(i) The Gas Authority may from time to time enter into Parity Bank Obligations with the Lenders secured by a pledge of, and a lien on, the Trust Estate on a parity with the pledge and lien created by the Granting Clauses of this Resolution to secure the Bonds and other Parity Obligations.

(j) The Gas Authority may from time to time enter into Parity Indemnity Obligations with the Participating Members under the Portfolio III Bond Resolution, providing for the indemnification of the Participating Members under the Portfolio III Project to effect the continuation of the Project under this Resolution. Such Parity Indemnity Obligations ~~shall~~will be secured by a pledge of, and a lien on, the Trust Estate on a parity with the pledge and lien created by the Granting Clauses of this Resolution to secure the Bonds and other Parity Obligations (the "Parity Indemnity Obligations").

SECTION 2.14. *Commercial Paper Notes.* Commercial Paper Notes may be issued from time to time secured by a pledge of, and a lien on, the Trust Estate on a parity with the pledge and lien created by the Granting Clause of this Resolution to secure the Bonds ("Parity

Commercial Paper Notes”). The Trustee ~~shall~~will authenticate and deliver Commercial Paper Notes to the Gas Authority or upon its order, but only upon the following conditions:

(a) The Trustee, if so required by the applicable Supplemental Resolution, ~~shall~~will have received a Liquidity Facility or a Credit Facility, or both, with respect to such Commercial Paper Notes, in each case containing such terms and conditions, including with respect to reimbursement, as ~~shall~~will be approved by the Gas Authority’s Board.

(b) The Trustee ~~shall~~will have received, prior to the initial issuance of Commercial Paper Notes of a Series, the items referred to in clauses (a) (i), (ii), (iii), (iv), (v) and (vii) of Section 2.02, modified to refer to the Commercial Paper Notes rather than Bonds, and any additional items to be provided to the Trustee pursuant to the related Supplemental Resolution.

(c) The Gas Authority may appoint a fiscal agent to perform such duties of the Trustee hereunder as the Gas Authority ~~shall~~will specify in the Supplemental Resolution authorizing such Commercial Paper Notes. Any such fiscal agent ~~shall~~will meet the minimum qualifications applicable to a successor Trustee set forth in Section 8.05 of this Resolution.

(d) The proceeds, including accrued interest, if any, of Commercial Paper Notes ~~shall~~will be applied simultaneously with the delivery of such Commercial Paper Notes as provided in the Supplemental Resolution authorizing such Commercial Paper Notes.

ARTICLE III

REDEMPTION

SECTION 3.01. *Redemption.* Each Series of Bonds ~~shall~~will be issued subject to optional or mandatory redemption by the Gas Authority at the times, under the conditions, upon such notice and in accordance with the terms specified in the Supplemental Resolution providing for the issuance of such Series of Bonds.

ARTICLE IV

REVENUES AND FUNDS

SECTION 4.01. *Pledge of Trust Estate.* Subject only to the rights of the Gas Authority to apply amounts under the provisions of this Article IV, a pledge of the Trust Estate to the extent provided herein has been made to the Trustee for the benefit of the Bondholders and the holders of any Parity Obligation pursuant to the Granting Clauses of this Resolution, and the same is pledged to secure the payment of the principal of, premium, if any, Tender Purchase Price and interest on the Bonds according to their tenor and effect, and, on a parity therewith, payments of principal, interest and other amounts due and owing by the Gas Authority under any Parity Obligations, and to secure the performance and observance by the Gas Authority of all the covenants expressed or implied herein and in the Bonds, and any documents, instruments and agreements evidencing the Parity Obligations, and, on a subordinated basis, if and to the extent provided for in any Supplemental Resolution relating to a Series of Bonds, amounts owing to (i) any Liquidity Facility Issuer with respect to any Liquidity Facility, (ii) any Credit Facility Issuer with respect to any Credit Facility, (iii) any Qualified Rate Hedge Provider with respect to any Qualified Rate Hedge Agreement for such Series of Bonds, and (iv) any counterparty to a Commodity Price Agreement with respect to Project Gas Supplies with respect to any Settlement Amount thereunder. The pledge made pursuant to the Granting Clauses ~~shall will~~ be valid and binding from and after the date of adoption of this Resolution. The security so pledged and then or thereafter received by the Gas Authority ~~shall will~~ immediately be subject to the lien of such pledge and the obligation to perform the contractual provisions hereby made ~~shall will~~ have priority over any or all other obligations and liabilities of the Gas Authority, and the lien of such pledge ~~shall will~~ be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the Gas Authority irrespective of whether such parties have notice thereof. Should an Event of Default exist and be continuing, the Trustee may transfer any funds and investments in the Revenue Fund and the Project Fund to the Debt Service Fund.

The Gas Authority ~~shall will~~ not create or allow to exist any lien or charge upon the Trust Estate, unless such lien or charge is expressly subordinate to the lien of this Resolution.

SECTION 4.02. *Creation of Funds and Accounts.* There are hereby established the following Funds, Accounts and Subaccounts to be held by the Gas Authority, Trustee or the Tender Agent, as hereinafter provided:

(a) the Revenue Fund to be held by the Gas Authority;

(b) the Debt Service Fund to be held by the Trustee, and within such fund: ~~a Gas Authority Payment Account and a Credit Facility Account;~~

~~(i) — an Interest Account and within such account a Gas Authority Payment Subaccount and a Credit Facility Subaccount; and~~

~~(ii) — a Principal Account and within such account a Gas Authority Payment Subaccount and a Credit Facility Subaccount;~~

(c) a Project Fund to be held by the Trustee, and within such fund:

- (i) a Capitalized Interest Account; and
- (ii) an Acquisition Account and within such account a subaccount with respect to every Series of Bonds;
- (d) a Reserve Fund to be held by the Trustee;
- (e) a Costs of Issuance Fund to be held by the Trustee; and
- (f) a Rebate Fund to be held by the Trustee.

Within such Funds and Accounts the Trustee may create such further accounts or subaccounts as may facilitate the administration of this Resolution, including such accounts and subaccounts with respect to a Series of Bonds or Parity Obligation as the Gas Authority may deem appropriate.

So long as a Credit Facility shall will be in effect with respect to a Series of Bonds in an Interest Mode other than the Fixed Mode, the Gas Authority directs the Trustee to establish the Credit Facility ~~Subaccount of the Interest Account and the Credit Facility Subaccount of the Principal~~ Account of the Debt Service Fund with respect to such Series of Bonds, which shall will be used for moneys drawn by the Tender Agent under the Credit Facility to be applied to the payment of principal of and interest on the applicable Series of Bonds. The Credit Facility ~~Subaccount of the Interest Account and the Credit Facility Subaccount of the Principal Account shall~~ Account of the Debt Service Fund will be held by the Agent and shall will constitute part of the Trust Estate. The Tender Agent and the Trustee shall will not commingle proceeds of a drawing under the Credit Facility with any other funds.

SECTION 4.03. *Application of Bond Proceeds.* The net proceeds of the sale of each Series of Bonds shall will be applied as set forth in the Supplemental Resolution pertaining thereto.

SECTION 4.04. *Project Fund.*

(a) Earnings on amounts on deposit in the Project Fund shall will be transferred to the Revenue Fund.

(b) Moneys in the Capitalized Interest Account of the Project Fund shall will be transferred by the Trustee to ~~the Interest Account of~~ the Debt Service Fund on each Interest Payment Date in an amount equal to the interest coming due on the Bonds on such Interest Payment Date until funds in the Capitalized Interest Account have been depleted.

(c) Moneys in the subaccount for each Series of Bonds established within the Acquisition Account of the Project Fund shall will be disbursed to pay any amount requisitioned to, or upon the order of, the Gas Authority upon receipt by the Trustee of a requisition certificate signed by a Designated Officer of the Gas Authority setting forth (i) the purposes for which such amounts have been requested (ii) the amount of the request, (iii) the party to whom such payment shall will be made, and (iv) such other matters as may be required by the Supplemental Resolution establishing the applicable Series of Bonds. Each such requisition

certificate must be approved in writing by a Designated Signatory of the Credit Facility Issuer for such Series of Bonds, if any, prior to such disbursement. All moneys remaining in the subaccount for each Series of Bonds established within the Acquisition Account following receipt by the Trustee of a certificate of a Designated Officer of the Gas Authority that the component of the Project with respect to which such Series of Bonds was issued has been completed shall will be transferred to the Gas Authority Payment ~~Subaccount~~Account of the ~~Principal Account within the~~ Debt Service Fund.

SECTION 4.05. *Cost of Issuance Fund.* Amounts on deposit in the Cost of Issuance Fund shall will be disbursed by the Trustee, upon receipt of written instructions from the Gas Authority, to pay costs of issuance incurred in connection with the issuance of the applicable Series of Bonds. Any amounts remaining on deposit in the Costs of Issuance Fund ninety (90) days following the issuance of a Series of Bonds, a portion of the proceeds of which were deposited therein, shall will be transferred to the ~~Interest Account within the~~ Debt Service Fund.

SECTION 4.06. *Arbitrage; Rebate Fund.* So long as the Gas Authority has Bonds outstanding for which interest is excluded from gross income of the holders for federal income tax purposes, the Gas Authority agrees that it will not take or omit to take any action that would cause such Bonds or Parity Obligations to be “arbitrage bonds” within the meaning of Section 148 of the Code and the applicable temporary, proposed or final regulations thereunder. Without limiting the foregoing, the Gas Authority agrees to comply with Section 148(f) of the Code and applicable temporary, proposed or final regulations thereunder as applicable. Any provisions in this Resolution to the contrary notwithstanding, amounts credited to the Rebate Fund shall will be free and clear of any lien hereunder and shall will not constitute part of the Trust Estate.

The Trustee shall will deposit in the Rebate Fund when and in such amounts as may be directed in writing by the Gas Authority or the Rebate Analyst as may be necessary to comply with the arbitrage limitations imposed by Section 148 of the Code. As directed in writing by the Gas Authority or the Rebate Analyst the Trustee shall will remit part or all of the balances in the Rebate Fund to the United States of America.

The Trustee shall will supply to the Gas Authority the following records, with respect to each and every investment or account or fund under this Resolution, and such other records that the Gas Authority might specify in writing from time to time: (i) the purchase price; (ii) rate of interest; (iii) amount of accrued interest purchased (included in purchase price); (iv) par face amount; (v) purchase date; (vi) maturity date; (vii) amount of original issue discount or premium (if any); (viii) type of investment; (ix) date of disposition; and (x) amount realized on the disposition (including accrued interest). The Gas Authority shall will retain the aforesaid records for six years after the retirement of the last obligation of the Bonds.

Moneys in the Rebate Fund shall will be invested as provided in Sections 4.14 and 4.18 of this Resolution for the investment of the Reserve Fund and the Project Fund and the proceeds of such investments are to be credited to the Rebate Fund.

SECTION 4.07. *Revenue Fund.* All Revenues ~~shall~~will be promptly deposited by the Gas Authority upon receipt thereof into the Revenue Fund. Moneys ~~shall~~will be disbursed from the Revenue Fund monthly, on the first Business Day of each month, to the extent and in the following manner and order:

(a) There ~~shall~~will first be paid from the Revenue Fund into the Rebate Fund any moneys required to be therein deposited pursuant to the terms of Section 4.06 above.

(b) There ~~shall~~will next be paid from the Revenue Fund to the Gas Authority for deposit into its Operating Fund such amounts as the Gas Authority reasonably deems necessary to pay Operating Expenses and other required payments under the Project Agreements.

(c) There ~~shall~~will next be paid from the Revenue Fund into the Gas Authority Payment ~~Subaccount of the Interest~~-Account ~~in~~of the Debt Service Fund for the purpose of paying (i) the interest on the Bonds or Parity Obligations next coming due (or to reimburse a Credit Facility Issuer for draws on the Credit Facility for the payment of such interest), and (ii) any net payment required to be made by the Gas Authority (other than any Settlement Amount) under any Qualified Rate Hedge Agreement, such amounts as the Gas Authority deems necessary.

(d) There ~~shall~~will next be paid from the Revenue Fund into the Gas Authority Payment ~~Subaccount of the Principal~~-Account ~~in~~of the Debt Service Fund for the purpose of paying the principal of and premium, if any, on the Bonds or Parity Obligations next coming due (or to reimburse a Credit Facility Issuer for draws under the Credit Facility for payments of such principal, and if covered by such Credit Facility, premium, if any) such amounts as the Gas Authority deems necessary.

(e) There ~~shall~~will next be paid from the Revenue Fund into the Reserve Fund, to the extent the balance in the Reserve Fund is less than the Debt Service Reserve Requirement, if any, any funds remaining in the Revenue Fund following the deposits into the Debt Service Fund as directed by subparagraphs (c) and (d) above.

(f) There ~~shall~~will next be paid from the Revenue Fund amounts, if any, due and payable with respect to any Subordinate Obligation.

(g) Any moneys remaining in the Revenue Fund following payment of the sums required under the provisions of subparagraphs (a), (b), (c), (d) and (e) above ~~shall~~will be transferred to the Gas Authority for deposit to its General Fund.

If a Credit Facility that is a letter of credit is in effect, the Tender Agent ~~shall~~will draw on such Credit Facility the full amount required for the purpose of paying the principal of and the interest on the related Series of Bonds (other than Bank Bonds) on each payment date or on acceleration. Such drawing ~~shall~~will be made in a timely manner and pursuant to the terms of such Credit Facility in order that the Tender Agent may have funds sufficient to pay the Bondholders on the payment dates as provided in this Resolution. For so long as a Credit

Facility that is a letter of credit is in effect, the Tender Agent shall will deposit all moneys received pursuant to each draw on such Credit Facility with respect to the payment of principal of and interest in the Bonds in the Credit Facility ~~Subaccounts of the Interest Account and Principal Account, respectively,~~ of the Debt Service Fund and shall will apply such moneys to the payment of the principal of and interest on or redemption price of Bonds. Moneys held in the Credit Facility ~~Subaccounts of the Interest Account and the Principal Account, respectively,~~ of the Debt Service Funds shall will not be commingled with any other funds.

If no Credit Facility is in effect, or if a Credit Facility that is not a letter of credit is in effect, the Trustee shall will use moneys on deposit in the Gas Authority Payment ~~Subaccounts of the Interest Account and the Principal Account, respectively,~~ of the Debt Service Fund to pay the full amount of principal of and interest on the Bonds on each payment date.

SECTION 4.08. *Debt Service Fund; Drawings on Credit Facility.* The Trustee shall will deposit payments attributable to payments of principal and premium ~~in the Principal Account of the Debt Service Fund and all moneys attributable to~~ and interest payments in the ~~Interest Account of the~~ Debt Service Fund.

SECTION 4.09. *Reserve Fund.* The moneys on deposit in the Reserve Fund shall will be maintained for the purposes of paying, and shall will be used at any time to pay, the principal of and interest on Bonds and Parity Obligations coming due in any year as to which there otherwise would be a default; provided, however, if a Credit Facility shall will be in effect with respect to a Series of Bonds or a Parity Obligation, and if moneys on deposit in ~~the Principal Account of the Debt Service Fund or the Interest Account of~~ the Debt Service Fund on any date on which principal, premium or interest is to be paid on the Bonds are not sufficient to equal the principal, premium and interest coming due on the Bonds, then moneys in the Reserve Fund may be applied to make additional deposits in the ~~Principal Account of the Debt Service Fund and the Interest Account of the~~ Debt Service Fund so that moneys in such ~~subaccounts~~ accounts would be sufficient to pay principal, premium and interest on the Bonds if funds deposited in the Credit Facility ~~Subaccount of the Principal Account of the Debt Service Fund or the Credit Facility Subaccount of the Interest~~ Account of the Debt Service Fund were not so applied. If money is taken from the Reserve Fund for the payment of foregoing amounts, the money so taken shall will be replaced in the Reserve Fund in the manner specified above in Section 4.07(e) from the first moneys of the Revenue Fund thereafter available and not required to make the monthly payments as set forth in Sections 4.07 (a) and (b) above. The Gas Authority may, at its option, provide a Debt Service Reserve Surety Bond to the Trustee for deposit in the Reserve Fund in lieu of cash in order to fulfill all or part of the Debt Service Reserve Requirement.

SECTION 4.10. *Operating Fund.* Moneys deposited in the Operating Fund do not constitute part of the Trust Estate and shall will be held by the Gas Authority to make required payments under the Project Agreements and other Operating Expenses of the Project, including costs of hedging gas supplies.

SECTION 4.11. *General Fund.* Moneys deposited in the General Fund do not constitute part of the Trust Estate and shall will be held by the Gas Authority and may be applied by the Gas Authority for any lawful purpose.

SECTION 4.12. *Amounts Remaining in Funds and Accounts.* Any amounts remaining in any fund created hereunder after full payment of the Bonds and Parity Obligations or provision for payment thereof so that the Bonds and Parity Obligations are not deemed outstanding under this Resolution shall will, after such full payment or provision shall will have been made and no claim shall will have been made thereon, be distributed by the Trustee (or, with respect to funds held by the Tender Agent, be paid to the Trustee for distribution) as follows: first, to any Liquidity Facility Issuer to the extent of amounts owing with respect to the related Liquidity Facility; second, to any Credit Facility Issuer to the extent of amounts owing with respect to the related Credit Facility; third, to any Qualified Rate Hedge Provider or counterparty to a Commodity Price Agreement with respect to Project Gas Supplies to the extent of amounts owing with respect to the related Qualified Rate Hedge Agreement to the extent such amounts are so secured; and fourth, to the Gas Authority the amounts remaining.

SECTION 4.13. *Reports and Certain Verifications.* The Trustee and Tender Agent shall will furnish monthly to the Gas Authority, the Credit Facility Issuer and the Liquidity Facility Issuer, on the fifteenth day of each month, a report on the status of each of the Funds and Accounts within Funds established under this Article IV which are held by the Trustee and the Tender Agent, respectively, showing at least the balance in each such Fund or Account as of the first day of the preceding month, the total of deposits to and the total of disbursements from each such Fund or Account, the dates of such deposits and disbursements, and the balance in each such Fund or Account on the last day of the preceding month.

SECTION 4.14. *Investment of Funds.* Moneys in the Funds and Accounts (other than moneys obtained pursuant to a Credit Facility or a Liquidity Facility or moneys required by the Trustee to pay any amounts then currently due under this Resolution or a Credit Facility or a Liquidity Facility, which money shall will not be invested, and other than moneys deposited with the Trustee or the Tender Agent for the redemption of Bonds, which shall will be invested as provided in the next succeeding sentence) shall will be continuously invested in Qualified Investments to the fullest extent practicable.

Moneys deposited with the Trustee or the Tender Agent for the redemption of Bonds pursuant to Article III hereof and any applicable Supplemental Resolution shall will be invested in Government Obligations maturing on or prior to the date or dates that moneys therefrom are anticipated to be required. The Gas Authority shall will direct the investment of all other moneys which may be invested but in the absence of such written direction the Trustee may (but shall will not be obligated to) invest such moneys in Qualified Investments theretofore designated by the Gas Authority for investment in the absence of further direction. Investments shall will be made so as to mature on or prior to the date or dates that moneys therefrom are anticipated to be required. The Trustee may trade with itself in the purchase and sale of securities for such investment. Any investment losses shall will be borne by the Fund in which the lost moneys had been deposited. The Trustee shall will sell and reduce to cash a sufficient amount of such investments in the respective Fund or Account whenever the cash balance therein is insufficient to pay the amount contemplated to be paid therefrom.

Except for moneys invested to provide for payment in full of Bonds as provided in Article VI, any proceeds of a Series of Bonds issued to refund on a current basis any other Series of Bonds (“Refunding Obligations”) ~~shall~~will be held by the Trustee and invested in Government Obligations that are not subject to optional redemption or pre-payable except at the option of the holder thereof, maturing at a time not later than required to apply the proceeds of such Refunding Obligations for the purpose for which such Refunding Obligations were issued.

Investments of moneys that may be invested may be made through repurchase agreements provided that each such repurchase agreement (a) is acceptable in form and substance to the Gas Authority, (b) ~~shall~~will mature in not more than thirty days, (c) provides for the registration of title to certificated Government Obligations to the Trustee or an agent of the Trustee and the physical transfer of certificated Government Obligations to the Trustee or to a custodial account in the name of the Trustee at a Federal Reserve Bank and for the registration of title to “book entry” Government Obligations to the Trustee, (d) that the valuation of such Government Obligations (and any additional cash held as collateral pledged for such purpose) is at all times equal to 102% of the seller’s payment obligation, (e) provides that the Government Obligations acquired pursuant to such repurchase agreement ~~shall~~will be valued at least monthly at the lower of the then current fair market value thereof or the repurchase price thereof in the applicable repurchase agreement, and (f) is with any state or national bank or foreign bank with a United States branch or agency with a rating on short-term obligations (including its holding company parent or for obligations secured by its letter of credit) of P1 or better from Moody’s, A-1 or better from S&P and F1 or higher by Fitch and a long term rating of A or higher by S&P, A or higher by Moody’s and A or higher by Fitch.

SECTION 4.15. *Trust Funds.* All moneys received by or on behalf of the Trustee or the Tender Agent under the provisions of this Resolution ~~shall~~will be trust funds under the terms hereof for the benefit of the holders of all Bonds and ~~shall~~will not otherwise be subject to prior lien or attachment of any creditor of the Gas Authority, except as otherwise provided in Section 8.02. Such moneys ~~shall~~will be held in trust and applied in accordance with the provisions of this Resolution.

SECTION 4.16. *Alternate Credit Facility.* The Gas Authority may terminate or replace an existing Credit Facility for any Series of Bonds with a new insurance policy, letter of credit, contract, agreement, surety bond or similar credit facility (an “Alternate Credit Facility”), issued by a banking institution or other financial institution, in support of the payment of principal, premium, if any, and interest on such Series of Bonds pursuant to the terms of the Supplemental Resolution authorizing the issuance of the Series of Bonds to which such existing Credit Facility relates.

SECTION 4.17. *Alternate Liquidity Facility.* The Gas Authority may terminate or replace an existing Liquidity Facility for any Series of Bonds with a new insurance policy, letter of credit, contract, agreement, surety bond or similar liquidity facility (an “Alternate Liquidity Facility”), issued by a banking institution or other financial institution, in support of the payment of the Tender Purchase Price of such Bonds pursuant to the terms of the Supplemental Resolution authorizing the issuance of the Series of Bonds to which such existing Liquidity Facility relates.

SECTION 4.18. *Liability for Investments.* Neither the Trustee nor the Agent ~~shall~~will be liable for the making of any investment authorized by the provisions of this Article IV in the manner provided in this Article or for any loss resulting from any such investment so made, except for its own gross negligence or willful misconduct.

Notwithstanding any provision of this Resolution to the contrary, unless otherwise specifically agreed in a separate written agreement, the Trustee and the Agent ~~shall~~will not be liable or responsible for any calculation or determination which may be required in connection with, or for the purpose of complying with, Section 148 of the Code, or any successor statute or any regulation, ruling or other judicial or administrative interpretation thereof, including, without limitation, the calculation of amounts required to be paid to the United States of America or the determination of the maximum amount which may be invested in nonpurpose obligations having a yield higher than the yield on the Bonds and Parity Obligations, and the Trustee and the Agent ~~shall~~will not be liable or responsible for monitoring the compliance by the Gas Authority of any of the requirements of Section 148 of the Code or any applicable regulation, ruling or other judicial or administrative interpretation thereof; it being acknowledged and agreed that the sole obligation of the Trustee and the Agent with respect to the investment of moneys held under any Fund or Account created hereunder ~~shall~~will be to invest such moneys in accordance with Section 4.14 hereof, in each case pursuant to the instructions of the Gas Authority and to take such other actions as may be expressly required of the Trustee by Section 4.06.

Since the investments authorized by this Article IV ~~shall~~will be made from time to time at the request of and pursuant to the direction of the Gas Authority, each of the Trustee and the Agent, without thereby affecting the limitation of its liability as otherwise set forth in this Resolution, specifically disclaims any obligation to the Gas Authority or to any other person for any loss arising from, or tax consequences of, investments pursuant to the provisions of this Resolution. The Trustee and the Agent ~~shall~~will not be responsible for any depreciation of the value of any investment made pursuant to this Resolution or for losses incurred in the redemption, sale or other disposal or any investments made in accordance with the terms of this Resolution. In the absence of any direction from the Gas Authority given in accordance with the provisions of this Resolution, the Trustee and the Agent may hold any and all funds uninvested.

SECTION 4.19. *Surrender of Credit Facility or Liquidity Facility.* If at any time an Alternate Credit Facility or an Alternate Liquidity Facility is delivered to the Trustee, together with the other documents and opinions required by this Resolution, then the Trustee ~~shall~~will accept such Alternate Credit Facility or Alternate Liquidity Facility and promptly (but not sooner than the 1st Business Day after the effective date of the Alternate Credit Facility or Alternate Liquidity Facility) surrender the Credit Facility or Liquidity Facility previously in effect to the issuer thereof, in accordance with the terms thereof, for cancellation. If at any time there ~~shall~~will cease to be any Bonds Outstanding under this Resolution, if at any time the Bonds ~~shall~~will have been defeased pursuant to Article VI of this Resolution, or if the Credit Facility or Liquidity Facility, or an Alternate Credit Facility or Liquidity Facility expires in accordance with the terms of such Credit Facility or Liquidity Facility, or an Alternate Credit Facility or Liquidity Facility, the Trustee ~~shall~~will promptly (but not sooner than the 1st Business Day after the occurrence of

such event) surrender the Credit Facility or Liquidity Facility, or an Alternate Credit Facility or Liquidity Facility to the issuer thereof, in accordance with the terms thereof, for cancellation. The Trustee ~~shall~~will comply with the procedures set forth in the Credit Facility or Liquidity Facility, or an Alternate Credit Facility or Liquidity Facility relating to the termination thereof.

ARTICLE V

SPECIAL COVENANTS

SECTION 5.01. *Payment of Bonds and Parity Obligations.* The Gas Authority ~~shall~~will duly and punctually pay or cause to be paid from the Trust Estate, or any other funds of the Gas Authority legally available therefor, the principal of and premium, if any, on every Bond and Parity Obligation and the interest thereon, at the dates and places and in the manner specified in the Bonds and Parity Obligations according to the true intent and meaning thereof.

SECTION 5.02. *Acquisition and Construction of Project and Its Operation and Maintenance.* The Gas Authority ~~shall~~will acquire or construct, or cause to be acquired or constructed, the Project with due diligence and in a sound and economical manner.

The Gas Authority ~~shall~~will at all times utilize or operate or cause to be operated the Project properly and in an efficient and economical manner, consistent with good business and utility practices, and ~~shall~~will maintain, preserve, reconstruct and keep the same or cause the same to be so maintained, preserved and kept (except to the extent depleted), with the appurtenances and every part and parcel thereof, in good repair, working order and condition, and ~~shall~~will from time to time make, or cause to be made, all necessary and proper repairs and replacements so that at all times the operation of the Project may be properly and advantageously utilized.

SECTION 5.03. *Rates, Fees and Charges.* The Gas Authority ~~shall~~will at all times charge and collect rates, fees and other charges for the sale of the output, capacity, use or service of the Project, as ~~shall~~will be required to provide Revenues at least sufficient in each calendar year, together with other available funds, for the payment of the sum of:

- (a) The Gas Authority's Operating Expenses during such calendar year;
- (b) An amount equal to the aggregate debt service on the Bonds and Parity Obligations for such calendar year; and
- (c) All other charges or liens whatsoever payable out of Revenues during such calendar year.

The Gas Authority will not furnish or supply any of the output, capacity, use or service of the Project free of charge to any person, firm or corporation, public or private, and the Gas Authority will promptly enforce the payment of any and all amounts owing to the Gas Authority by reason of the ownership and operation of the Project by discontinuing such output, capacity, use or service, or by filing suit therefor within such reasonable period as may be required by the Gas Supply Contracts or otherwise established by the Gas Authority from time to time after any such amounts are due, or by both such discontinuance and by filing suit.

SECTION 5.04. *Maintenance of Insurance.* The Gas Authority ~~shall~~will at all times keep or cause to be kept those of the Gas Authority's properties the Project comprises that are of an insurable nature and of the character usually insured by those operating properties similar to the

Project insured against loss or damage by fire and from other causes customarily insured against and in such relative amounts as are customarily obtained. The Gas Authority shall will at all times maintain or cause to be maintained insurance or reserves against loss or damage from such hazards and risks to the person and property of others as are customarily insured or reserved against by those operating properties similar to the properties the Project comprises. Whenever in the judgment of the Gas Authority insurance against business interruption loss on account of the failure of part of the Project to operate or the suspension, interruption, interference, reduction or curtailment of the output, capacity, use or service of any part of the Project is obtainable at commercially reasonable rates, the Gas Authority shall will obtain and maintain such insurance. Insurance maintained pursuant to the Project Agreements shall will be deemed in compliance with this Section 5.04 if such insurance otherwise complies with the requirements of this Section.

The Gas Authority shall will also maintain any additional or other insurance which it shall will deem necessary or advisable to protect its interests and those of the Bondholders and holders of any Parity Obligations.

Any such insurance shall will be in the form of policies or contracts for insurance with insurers of good standing and shall will be payable to the Gas Authority directly or allocably through the operation of a Joint Operating Agreement or other beneficial arrangement.

The Gas Authority shall will file with the Trustee annually, within 150 days after the close of each calendar year, a certificate of the Designated Officer of the Gas Authority setting forth (i) a description in reasonable detail of the insurance then in effect pursuant to the requirements of this Section and the representation that the Gas Authority has complied in all respects with the requirements of this Section, and (ii) whether during such year any portion of the Project has been damaged or destroyed and, if so, the amount of insurance proceeds covering such loss or damage and specifying the Gas Authority's reasonable and necessary costs of reconstruction or replacement thereof.

SECTION 5.05. *Payment of Taxes and Charges.* The Gas Authority will from time to time duly pay and discharge, or cause to be paid and discharged, all taxes, assessments and other governmental charges, or required payments in lieu thereof, lawfully imposed upon the properties of the Gas Authority or upon the rights, revenues, income, receipts, and other moneys, securities and funds of the Gas Authority when the same shall will become due (including all rights, moneys and other property transferred, assigned or pledged under this Resolution), and all lawful claims for labor and material and supplies, except those taxes, assessments, charges or claims which the Gas Authority shall will in good faith contest by proper legal proceedings if the Gas Authority shall will in all such cases have set aside on its books reserves deemed adequate with respect thereto.

SECTION 5.06. *Further Assurances.* At any and all times the Gas Authority shall will, as far as it may be authorized by law, comply with any reasonable request of the Trustee to pass, make, do, execute, acknowledge and deliver, all and every such further resolutions, acts, deeds, conveyances, assignments, transfers and assurances as may be necessary or desirable for the better assuring, conveying, granting, pledging, assigning and confirming all and singular the Trust Estate and the rights, Revenues and other moneys, securities and funds hereby pledged or

assigned, or intended so to be, or which the Gas Authority may become bound to pledge or assign.

SECTION 5.07. *Power to Issue Bonds and Enter Into Parity Obligations and Pledge Revenues and Other Funds.* The Gas Authority is duly authorized under all applicable laws to create and issue the Bonds and issue or enter into the Parity Obligations and to adopt the Resolution and to pledge the Trust Estate in the manner and to the extent provided in the Resolution. Except to the extent otherwise provided in the Resolution, the Revenues and other moneys, securities and funds so pledged are and will be free and clear of any pledge, lien, charge or encumbrance thereon with respect thereto prior to, or of equal rank with, the pledge created by the Resolution, and all corporate or other action on the part of the Gas Authority to that end has been and will be duly and validly taken. The Bonds, the Parity Obligations and the provisions of the Resolution are and will be the valid and legally enforceable obligations of the Gas Authority in accordance with their terms and the terms of the Resolution. The Gas Authority ~~shall~~will at all times, to the extent permitted by law, defend, preserve and protect the pledge of the Revenues and other moneys, securities and funds pledged under the Resolution and all the rights of the Bondholders and issue or enter into the Parity Obligations under the Resolution against all claims and demands of all persons whomsoever.

SECTION 5.08. *Power to Fix and Collect Rates, Fees and Charges.* The Gas Authority has, and will have as long as any Bonds or Parity Obligations are Outstanding, good right and lawful power to fix and collect rates, fees and charges with respect to the sale of gas from or associated with the Project thereof subject to the terms of the Gas Supply Contract, the Supplemental Contracts or any other contracts relating thereto.

SECTION 5.09. *Sale and Lease of Property.* No part of the Project ~~shall~~will be sold, leased, mortgaged or otherwise disposed of, except as follows:

(1) The Gas Authority may sell or exchange at any time and from time to time any property or facilities constituting part of the Project only if (a) it ~~shall~~will determine that such property or facilities are not useful in the operation of the Project, or (b) the proceeds of such sale are \$15,000,000 or less, or it ~~shall~~will file with the Trustee its certificate stating that the fair value of the property or facilities exchanged is \$15,000,000 or less, or (c) if such proceeds and fair value exceeds \$15,000,000 it ~~shall~~will file with the Trustee its certificate stating that the sale or exchange of such property or facilities will not impair the ability of the Gas Authority to comply during the current or any future year with the provisions of Section 5.03; provided, that the Gas Authority may (i) make sales of gas to the Participating Members and other Members or customers of the Gas Authority as contemplated by the terms of the Gas Supply Contracts and the Supplemental Contracts, and may make sales of gas to third parties in the ordinary course of business, (ii) sell all or any portion of a component of the Project with respect to which any Series of Bonds or Parity Obligation was issued or entered into as provided in the related Supplemental Resolution or Parity Obligation, or (iii) enter into gas swap or exchange agreements without the restrictions imposed by this Section 5.09. The proceeds of any such sale or exchange not used to acquire other property necessary or desirable for the safe or efficient operation of the Project ~~shall~~will forthwith be deposited in the Revenue Fund; and

(2) In addition to the Project Agreements, the Gas Authority may lease or make contracts or grant licenses for the operations of, or make arrangements for the use of, or grant easements or other rights with respect to, any part of the Project, provided that any such lease, contract, license, arrangement, easement or right (i) does not impede the operation by the Gas Authority or its agent of the Project and (ii) does not in any manner impair or adversely affect the rights or security of the Bondholders or holders of Parity Obligations under the Resolution. Any payments received by the Gas Authority under or in connection with any such lease, contract, license, arrangement, easement or right in respect of the Project or any part thereof shall will constitute Revenues.

SECTION 5.10. *Gas Supply Contracts and Supplemental Contracts; Amendment.* (a) The Gas Authority shall will collect and forthwith deposit in the Revenue Fund all amounts payable to it pursuant to the Supplemental Contracts and attributable to the Project or payable to it pursuant to any other contract for the sale of gas of or from the Project or any part thereof. The Gas Authority shall will enforce the provisions of the Supplemental Contracts and duly perform its covenants and agreements thereunder. The Gas Authority will not consent or agree to or permit any rescission of or amendment to or otherwise take any action under or in connection with any Supplemental Contract that will reduce the payments required thereunder or that will in any manner impair or adversely affect the rights of the Gas Authority thereunder or the rights or security of the Bondholders or other parties secured under the Resolution, and any action by the Gas Authority in violation of this covenant shall will be null and void as to the Gas Authority and any other party to a Supplement Contract. The extension of the term of any Supplemental Contract shall will not constitute such an amendment. A copy of each Supplemental Contract certified by a Designated Officer of the Gas Authority shall will be filed with the Trustee, and prior to execution by the Gas Authority of any such amendment thereof, a copy of such amendment certified by a designated Officer of the Gas Authority shall will be filed with the Trustee.

(b) The Gas Authority shall will duly perform its covenants and agreements under the Gas Supply Contracts. The Gas Authority will not consent or agree to or permit any rescission of or amendment to, or otherwise take any action under or in connection with, any Gas Supply Contract that will in any manner impair or adversely affect the rights of the Gas Authority thereunder or the rights or security of the Bondholders or holders of Parity Obligations under the Resolution, and any action by the Gas Authority in violation of this covenant shall will be null and void as to the Gas Authority and any other party to a Gas Supply Contract. The extension of the term of the Gas Supply Contracts shall will not constitute such an amendment. A copy of each such Gas Supply Contract certified by a Designated Officer of the Gas Authority shall will be filed with the Trustee, and prior to execution by the Gas Authority of any such amendment thereof, a copy of such amendment certified by a Designated Officer of the Gas Authority shall will be filed with the Trustee.

SECTION 5.11 *Accounts and Reports.*

(a) The Gas Authority shall will keep or cause to be kept proper books of record and account (separate from all other records and accounts) in which complete and correct entries shall will be made of its transactions relating to the Project and each Fund and Account

established under the Resolution and relating to its costs and charges under the Supplemental Contracts, and which, together with all other books and papers of the Gas Authority, including insurance policies, relating to the Project, shall will at all times be subject to the inspection of the Trustee, and the holders of an aggregate of not less than 5% in principal amount of the Bonds and Parity Obligations then Outstanding or their representatives duly authorized in writing.

(b) The Trustee shall will advise the Gas Authority promptly after the end of each month of transactions during such month relating to each Fund and Account held by it under the Resolution, including information set forth in Section 4.06 hereof.

(c) The Gas Authority shall will annually, within 150 days after the close of each calendar year (the first such report to be filed with respect to the year in which the first Bonds are issued), file with the Trustee and otherwise as provided by law, a copy of an annual report for such year, accompanied by an Accountant's Certificate, relating to the Project and including the following statements in reasonable detail: a statement of assets and liabilities as of the end of such year, to the extent relating to the Project; a statement of revenues and Operating Expenses for such year; and a summary with respect to each Fund and Account established under the Resolution of the receipts therein and disbursements therefrom during such year and the amount held therein at the end of such year. Such Accountant's Certificate shall will state whether or not, to the knowledge of the signer, the Gas Authority is in default with respect to any of the covenants, agreements or conditions on its part contained in the Resolution, and if so, the nature of such default.

(d) The reports, statements and other documents required to be furnished to the Trustee pursuant to any provisions of the Resolution shall will be available for inspection of Bondholders and holders of Parity Obligations at the office of the Trustee and shall will be mailed to each Bondholder and holder of a Parity Obligation who shall will file a written request therefor with the Gas Authority.

(e) The Gas Authority shall will file with the Trustee (i) forthwith, upon becoming aware of any Event of Default or default in the performance by the Gas Authority of any covenant, agreement or condition contained in the Resolution, a certificate signed by an appropriate Designated Officer of the Gas Authority and specifying such Event of Default or default and (ii) within 150 days after the end of each year, commencing with the year in which the first Bonds are issued, a certificate signed by an appropriate Designated Officer of the Gas Authority stating that, to the best of his knowledge and belief, the Gas Authority has kept, observed, performed and fulfilled each and every one of its covenants and obligations contained in the Resolution and there does not exist at the date of such certificate any default by the Gas Authority under the Resolution or any Event of Default or other event which, with the lapse of time, would become an Event of Default, or, if any such default or Event of Default or other event shall will so exist, specifying the same and the nature and status thereof.

SECTION 5.12 *Disclosure Requirements.* The Gas Authority shall will comply with any disclosure or other reporting requirement, including but not limited to Rule 15c2-12 of the Securities and Exchange Commission, now or hereafter imposed by the United States of America, the State of Georgia, or any political subdivision or agency of either having jurisdiction over the Gas Authority or the issuance and sale of the Gas Authority's bonds or other debt

obligations, by law, judicial decision, regulation, rule or policy. Such information ~~shall~~will be provided by the Gas Authority from time to time, but in any case, no less frequently than ~~shall~~will enable the Gas Authority to comply with any such law, judicial decision, regulation, rule or policy.

ARTICLE VI

DISCHARGE OF LIEN

SECTION 6.01. *Discharge of Lien and Security Interests.* If the Gas Authority ~~shall~~will pay or cause to be paid the principal of, and the interest on, the Bonds and Parity Obligations at the times and in the manner stipulated therein and herein, and if the Gas Authority ~~shall~~will keep, perform and observe all and singular the agreements in the Bonds and Parity Obligations and herein expressed as to be kept, performed and observed by it or on its part, then the lien hereof, these presents and the Trust Estate ~~shall~~will cease, determine and be discharged, and thereupon the Trustee, upon receipt by the Trustee of an opinion of Counsel stating that in the opinion of the signer all conditions precedent to the satisfaction and discharge of this Resolution have been complied with, ~~shall~~will cancel and discharge this Resolution, and ~~shall~~will execute and deliver to the Gas Authority such instruments in writing as ~~shall~~will be required to cancel and discharge this Resolution, and reconvey to the Gas Authority the Trust Estate, and assign and deliver to the Gas Authority so much of the Trust Estate as may be in its possession or subject to its control, except for moneys and Government Obligations held in a special account in the Debt Service Fund for the purpose of paying Bonds which have not yet been presented for payment; provided, however, such cancellation and discharge of the Resolution ~~shall~~will not terminate the powers and rights granted to the Trustee with respect to the payment, registration of transfer and exchange of the Bonds.

Notwithstanding any other provision contained in this Resolution to the contrary, Bonds held by the Tender Agent the principal and interest of which have been paid pursuant to drawings honored by the Credit Facility Issuer under the Credit Facility ~~shall~~will not be deemed to be paid or discharged within the meaning of this Section 6.01 unless and until all amounts drawn under the Credit Facility and honored by the Credit Facility Issuer ~~shall~~will have been reimbursed in full pursuant to the terms of the Reimbursement Agreement.

SECTION 6.02. *Provision for Payment of Bonds.* Bonds ~~shall~~will be deemed to have been paid within the meaning of Section 6.01 hereof if:

(a) there ~~shall~~will have been irrevocably deposited in a special escrow account either:

(i) sufficient Available Moneys, or

(ii) Government Obligations not subject to prepayment or redemption except at the option of the holder thereof, purchased with Available Moneys and having such maturities and interest payment dates and bearing such interest as will, in the opinion of an independent certified public accounting firm of national reputation, without further investment or reinvestment of either the principal amount thereof or the interest earnings thereon (said earnings to be held in trust also), be sufficient together with any Available Moneys referred to in subsection (i) above for the payment of their respective maturities or, in the case of bonds in any Interest Mode other than a Fixed Mode, the earliest occurring sinking fund redemption date, optional redemption date or any tender date prior

to maturity, of the principal thereof, premium, if any, and the interest at the highest possible interest rate that could accrue thereon to such maturity or earliest occurring redemption or tender date, as the case may be;

(b) there ~~shall~~will have been paid to the Trustee, or provisions made therefor to the satisfaction of the Trustee, all Trustee's and Agent's fees and expenses due or to become due in connection with the payment or redemption of the Bonds or there ~~shall~~will be sufficient moneys in said special account to make said payments;

(c) if any Bonds are to be redeemed on any date prior to their maturity (which ~~shall~~will include all Bonds in any Interest Mode other than a Fixed Mode at the earliest occurring redemption or tender date), the Gas Authority ~~shall~~will have given to the Agent in form satisfactory to the Agent irrevocable instructions to redeem such Bonds on such date and either evidence satisfactory to the Agent that all redemption notices required by this Resolution have been given or irrevocable power authorizing the Trustee to give such redemption notices; and

(d) there ~~shall~~will have been provided to the Trustee an opinion of nationally recognized counsel experienced in bankruptcy matters, such opinion being acceptable to any Rating Agency, to the effect that the application of such Available Moneys or Government Obligations to the payment of the Bonds will not constitute an avoidable preference in the event of the occurrence of an Act of Bankruptcy.

SECTION 6.03. *Discharge of the Resolution.* Notwithstanding the fact that the lien of this Resolution upon the Trust Estate may have been discharged and canceled in accordance with Section 6.01 hereof, this Resolution and the rights granted and duties imposed hereby, to the extent not inconsistent with the fact that the lien upon the Trust Estate may have been discharged and canceled, ~~shall~~will nevertheless continue until the principal of, and the interest on, all of the Bonds and Parity Obligations ~~shall~~will have been paid in full or the Trustee or the Tender Agent ~~shall~~will have returned to the Gas Authority all funds theretofore held by the Trustee or the Tender Agent for the payment of any Bonds not theretofore presented for payment.

ARTICLE VII

DEFAULT PROVISIONS AND REMEDIES OF TRUSTEE. BONDHOLDERS AND HOLDERS OF PARITY OBLIGATIONS

SECTION 7.01. *Defaults; Events of Default.* If any of the following events occurs it is hereby defined as and declared to be and to constitute an “Event of Default” under this Resolution.

(a) Default in the payment of the principal of or interest on any Bond or Parity Obligation after the principal, premium, if any, or interest has become due, whether at maturity or upon call for redemption.

(b) Default in payment of the Tender Purchase Price of any Bond tendered by its registered owner when due.

(c) Default in the performance or observance of any covenant, agreement or condition on the part of the Gas Authority contained in this Resolution, in the Bonds or any Parity Obligation (other than defaults described in Sections 7.01(a), 7.01(b), 7.01(d), 7.01(e) or 7.01(f)) and failure to remedy the same after notice of the default pursuant to Section 7.10 hereof.

(d) The occurrence of an Act of Bankruptcy.

(e) If a Credit Facility is in effect with respect to any Series of Bonds, receipt by the Trustee and the Tender Agent, within 9 days following a drawing under the Credit Facility to pay interest on such Series of Bonds (but not any accrued interest constituting part of or included with the Tender Purchase Price of such Series of Bonds), of written notice from the Credit Facility Issuer that it has not been reimbursed for the amount of such drawing together with interest, if any, due pursuant to the Credit Facility and that the amount of such drawing will not be reinstated as provided in the Credit Facility.

(f) If a Credit Facility or a Liquidity Facility is in effect with respect to any Series of Bonds, receipt by the Trustee and the Tender Agent of a Notice of Default thereunder.

SECTION 7.02. *Remedies; Rights of Bondholders and Holders of Parity Obligations.* Upon the occurrence of an Event of Default, the Trustee ~~shall~~will have the following rights and remedies:

(a) The Trustee may upon the occurrence of an event of default set forth in Section 7.01(c) above, but only with the prior written consent of the Credit Facility Issuer of the Credit Facility relating to the affected Series of Bonds, so long as it is not in default of its payment obligations under such Credit Facility, or Holder of the affected Parity Obligation, so long as it is not in default of its obligations under such Parity Obligation, and ~~shall~~will, upon the occurrence of an event of default set forth in Sections 7.01(a), 7.01(b), 7.01(d), 7.01(e) and 7.01(f) above, declare the principal of the affected Series of Bonds or the affected Parity Obligation to be due and payable

immediately by notice to the Gas Authority. If the affected Series of Bonds is secured by a Credit Facility, upon such declaration, the Trustee ~~shall~~will, within one Business Day of such declaration, draw upon the Credit Facility relating to such Series of Bonds or direct in writing the Tender Agent to draw upon such Credit Facility to pay principal and interest on the Bonds in accordance with the terms of such Credit Facility. Upon receipt by the Trustee or Tender Agent of the full amount drawn on such Credit Facility and provided sufficient moneys are available in the Debt Service Fund to pay all sums due on such Series of Bonds, then interest on such Series of Bonds ~~shall~~will cease to accrue under this Resolution.

(b) The Trustee may, with the consent of the Credit Facility Issuer of the Credit Facility relating to the affected Series of Bonds, or of the Holder of the affected Parity Obligation, and ~~shall~~will at the direction of such Credit Facility Issuer, or of the Liquidity Facility Issuer of the Liquidity Facility relating to the affected Series of Bonds, with the consent of such Credit Facility Issuer, or of the Holder of the affected Parity Obligation, pursue any available remedy at law or in equity or by statute to enforce the payment of the principal of, premium, if any, and interest on such Series of Bonds then outstanding, including enforcement of any rights of the Gas Authority or the Trustee under the Supplemental Contracts.

(c) The Trustee may with the consent of the Credit Facility Issuer of the Credit Facility relating to the affected Series of Bonds, or with the consent of the Holder of the affected Parity Obligation, and ~~shall~~will at the direction of such Credit Facility Issuer, or of the Liquidity Facility Issuer of the Liquidity Facility relating to the affected Series of Bonds, with the consent of such Credit Facility Issuer, or of the Holder of the affected Parity Obligation by action or suit in equity require the Gas Authority to account as if it were the trustee of an express trust for the owners of such Series of Bonds or Holder of such Parity Obligation and may, with the prior written consent of such Credit Facility Issuer or Holder of such Parity Obligation and ~~shall~~will at the direction of such Credit Facility Issuer, or of such Liquidity Facility Issuer, with the consent of such Credit Facility Issuer, or of the Holder of the affected Parity Obligation then take such action with respect to the Supplemental Contracts as the Trustee ~~shall~~will deem necessary or appropriate and in the best interest of the Bondholders and the Holders of the Parity Obligations, subject to the terms of the Supplemental Contracts.

(d) Upon the filing of a suit or other commencement of judicial proceedings to enforce any rights of the Trustee and of the holders of the affected Series of Bonds or Parity Obligation the Trustee ~~shall~~will be entitled, as a matter of right, to the appointment of a receiver or receivers of the Trust Estate and of the revenues, issues, earnings, income, products and profits thereof, pending such proceedings, with such powers as the court making such appointment ~~shall~~will confer.

The Trustee ~~shall~~will give notice of any Event of Default to the Liquidity Facility Issuer of the Liquidity Facility relating to the affected Series of Bonds, the Credit Facility Issuer of the Credit Facility relating to the affected Series of Bonds and the Holder of any affected Parity Obligation as promptly as practicable after the occurrence of an Event of Default becomes known to the Trustee.

If an Event of Default ~~shall~~will have occurred and if requested so to do by the Credit Facility Issuer of the Credit Facility relating to the affected Series of Bonds, or of the Holder of the affected Parity Obligation or the owners of 25% or more in aggregate principal amount of all Bonds of such Series then outstanding or the Liquidity Facility Issuer of the Liquidity Facility relating to such Series of Bonds, with the consent of such Credit Facility Issuer, and if indemnified as provided in Section 9.01(1) hereof, the Trustee ~~shall~~will be obligated to exercise such one or more of the rights and powers conferred by this Section as the Trustee, being advised by counsel, ~~shall~~will deem most expedient in the interests of the holders of the Bonds of such Series or the Holders of the affected Parity Obligations.

No right or remedy by the terms of this Resolution conferred upon or reserved to the Trustee, the Bondholders, the Holders of the Parity Obligations, the Liquidity Facility Issuer or the Credit Facility Issuer is intended to be exclusive of any other right or remedy, but each and every such right or remedy ~~shall~~will be cumulative and ~~shall~~will be in addition to any other right or remedy given to the Trustee, the Bondholders, the Holders of the Parity Obligations, the Liquidity Facility Issuer or to the Credit Facility Issuer hereunder or now or hereafter existing at law or in equity or by statute. The assertion or employment of any right or remedy ~~shall~~will not prevent the concurrent or subsequent assertion or employment of any other right or remedy.

No delay or omission in exercising any right or remedy accruing upon any default or Event of Default ~~shall~~will impair any such right or remedy or ~~shall~~will be construed to be a waiver of any such default or Event of Default or acquiescence therein; and every such right or remedy may be exercised from time to time and as often as may be deemed expedient.

No waiver of any default or Event of Default hereunder, whether by the Trustee, the Credit Facility Issuer, the Liquidity Facility Issuer, by the Bondholders or the Holders of any Parity Obligations, ~~shall~~will extend to or ~~shall~~will affect any subsequent default or Event of Default or ~~shall~~will impair any rights or remedies consequent thereon.

Notwithstanding the foregoing, there ~~shall~~will be no waiver of an Event of Default without the prior written consent of the Credit Facility Issuer of the Credit Facility relating to the affected Series of Bonds or the Holders of the affected Parity Obligations and, as to the events described in 7.01(a) hereof, the Liquidity Facility Issuer of the Liquidity Facility relating to the affected Series of Bonds; provided, however, that all rights of the Credit Facility Issuer, the Liquidity Facility Issuer and the Holders of Parity Obligations hereunder to consent to remedies or to direct actions following an Event of Default ~~shall~~will be contingent upon there being no default by such Credit Facility Issuer, Liquidity Facility Issuer under the terms of the related Credit Facility or the related Liquidity Facility, respectively, or Holder of any Parity Obligation under the affected Parity Obligation. In addition, no Event of Default ~~shall~~will be waived until such Credit Facility Issuer ~~shall~~will have confirmed in writing that the related Credit Facility has been reinstated in full.

SECTION 7.03. *Right of Bondholders and Holders of Parity Obligations to Direct Proceedings.* Anything in this Resolution to the contrary notwithstanding, the Requisite Holders, with the consent of the Credit Facility Issuer of the Credit Facility relating to the affected Series of Bonds, or, in the event the Requisite Owners have failed to so act, such Credit Facility Issuer,

~~shall~~will have the right, at any time during the continuance of an Event of Default, by an instrument or instruments in writing executed and delivered to the Trustee, to direct the time, method and place of conducting all proceedings to be taken in connection with the enforcement of the terms and conditions of this Resolution, or for the appointment of a receiver or any other proceedings hereunder; provided, that such direction ~~shall~~will not be otherwise than in accordance with the provisions of law and of this Resolution.

SECTION 7.04. *Appointment of Receivers.* Upon the occurrence of an Event of Default with the prior written consent of the Credit Facility Issuer of the Credit Facility relating to the affected Series of Bonds and upon the filing of a suit or other commencement of judicial proceedings to enforce any rights of the Trustee and of the Bondholders or the Liquidity Facility Issuer of the Liquidity Facility relating to the affected Series of Bonds under this Resolution, the Trustee ~~shall~~will be entitled, as a matter of right, to the appointment of a receiver or receivers of the Trust Estate and of the revenues, issues, earnings, income, products and profits thereof, pending such proceedings, with such powers as the court making such appointment ~~shall~~will confer.

SECTION 7.05. *Application of Moneys.* All moneys received by the Trustee pursuant to any right given or action taken under the provisions of this Article, but excluding proceeds of the Credit Facility relating to the affected Series of Bonds, moneys held pursuant to Section 2.12 of this Resolution, proceeds of the remarketing of Bonds as permitted by Section the applicable Supplemental Resolution, and moneys on deposit pursuant to Article VIII hereof ~~shall~~will, after payment of all Operating Expenses, if any, due but unpaid, the costs and expenses of the proceedings resulting in the collection of such moneys and of the reasonable fees (including reasonable Trustee's fees), expenses (including reasonable legal fees and expenses), liabilities and advances payable to the Trustee or incurred or made by the Trustee, be applied, along with any other moneys available for such purposes, as follows:

(a) Unless the principal of all the Bonds ~~shall~~will have become due and payable, all such moneys ~~shall~~will be applied:

FIRST - To the payment to the persons entitled thereto of installments of interest, as provided in Sections 2.02 and 2.05 hereof and, if the amount available ~~shall~~will not be sufficient to pay in full any particular installment of interest, then to the payment ratably, according to the amounts due on such installment, to the persons entitled thereto, without any discrimination or privilege; and

SECOND - To the payment to the persons entitled thereto of the unpaid principal of any of the Bonds and Parity Obligations that ~~shall~~will have become due at stated maturity or pursuant to a call for redemption (other than the Bonds of such Series or Parity Obligations that have been called for redemption for the payment of which moneys are held pursuant to the other provisions of this Resolution) and, if the amount available ~~shall~~will not be sufficient to pay in full such Bonds or Parity Obligations due on any particular date, then to the payment ratably, according to the amount of principal due on such date, to the persons entitled thereto without any discrimination or privilege.

(b) If the principal of all the Bonds and Parity Obligations shall will have become due, all such moneys shall will be applied to the payment of the principal and interest then due and unpaid upon the Bonds and Parity Obligations, without preference or priority of principal over interest or of interest over principal or of any installment of interest over any other installment of interest, or of any Bond or Parity Obligations over any other Bond or Parity Obligation, ratably, according to the amounts due respectively for principal and interest, to the persons entitled thereto without any discrimination or privilege.

Whenever moneys are to be applied pursuant to the provisions of this Section, such moneys shall will be applied at such times, and from time to time, as the Trustee shall will determine, having due regard to the amount of such moneys available for application and the likelihood of additional moneys becoming available for such application in the future. Whenever the Trustee shall will apply such funds, it shall will fix the date upon which such application is to be made and upon such date interest on the amounts of principal and past-due interest to be paid on such dates shall will cease to accrue. The amount, but not the timing, of defaulted interest on a Bond or Parity Obligation shall will be payable as provided in Section 2.02 and 2.05.

Whenever all principal of and interest on all Bonds of the affected Series or affected Parity Obligations have been paid under the provisions of this Section and all expenses and charges of the Trustee, and, if applicable, the Liquidity Facility Issuer, the Remarketing Agent, the Tender Agent, the Gas Authority, the Credit Facility Issuer, registrar, co-registrar or transfer agent have been paid, any balance remaining in the Funds and Accounts shall will be paid as provided in Section 4.12 hereof.

SECTION 7.06. *Remedies Vested in Trustee.* All rights of action (including the right to file proof of claims) under this Resolution or under any of the Bonds may be enforced by the Trustee without the possession of any of the Bonds or the production thereof in any trial or other proceeding related thereto and any such suit or proceeding instituted by the Trustee shall will be brought in its name as Trustee without the necessity of joining as plaintiffs or defendants any owners of the Bonds or the Liquidity Facility Issuer of the Liquidity Facility relating to the affected Series of Bonds, and any recovery of judgment shall will be for the equal and ratable benefit of the owners of all the Outstanding Bonds and, on a subordinate basis, to the extent and as set forth herein and in any Supplemental Resolution with respect to a Series of Bonds, any Liquidity Facility Issuer, Credit Facility Issuer and Qualified Hedge Provider with respect to such Series of Bonds.

SECTION 7.07. *Rights and Remedies of Bondholders.* No owner of any Bond shall will have any right to institute any suit, action or proceeding at law or in equity for the enforcement of this Resolution or for the execution of any trust hereof or thereof or for the appointment of a receiver or any other remedy hereunder or thereunder unless (a) a default has occurred, (b) such default shall will have become an Event of Default and the Credit Facility Issuer of the Credit Facility relating to the affected Series of Bonds, or the owners of not less than 25% in aggregate principal amount of Bonds then Outstanding or the Liquidity Facility Issuer of the Liquidity Facility relating to the affected Series of Bonds, with the prior written consent of such Credit Facility Issuer shall will have made written request to the Trustee and shall will have offered it

reasonable opportunity either to proceed to exercise the powers hereinbefore granted or to institute such action, suit or proceeding in its own name, (c) such owners of the affected Series of Bonds or such Liquidity Facility Issuer or such Credit Facility Issuer shall will have offered to the Trustee indemnity as provided in Section 8.01(l) hereof, and (d) the Trustee shall will for 60 days after receipt of such request and indemnification fail or refuse to exercise the rights and remedies hereinbefore granted, or to institute such action, suit or proceeding in its own name; and such request, offer of indemnity and refusal are hereby declared in every case at the option of the Trustee to be conditions precedent to the execution of the powers and trusts of this Resolution, and to any action or cause of action for the enforcement of this Resolution, or for the appointment of a receiver or for any other remedy hereunder; it being understood and intended that no one or more owners of the Bonds shall will have any right in any manner whatsoever to affect, disturb or prejudice the lien of this Resolution by its, his or their action or to enforce any right hereunder except in the manner herein provided, and that all proceedings at law or in equity shall will be instituted, had and maintained in the manner herein provided and for the equal and ratable benefit of the owners of all Bonds then Outstanding, such Credit Facility Issuer or such Liquidity Facility Issuer. However, nothing contained in this Resolution shall will affect or impair the right of any Bondholder to enforce the payment of the principal of and interest on any Bond at and after the maturity or redemption date of such principal or interest, or the right of the Liquidity Facility Issuer to enforce any obligation of the Gas Authority under the Liquidity Facility or the right of the Credit Facility Issuer to enforce its rights under the Credit Facility, or the obligation of the Gas Authority to pay the principal of and interest on each of the Bonds issued hereunder to the respective registered owners thereof at the time, place, from the source and in the manner in this Resolution and in the Bonds expressed. No provision of this Section 7.07 limits in any way the rights of the Credit Facility Issuer or the Liquidity Facility Issuer under any other provision hereof.

SECTION 7.08. *Termination of Proceedings.* In case any Credit Facility Issuer of a Credit Facility relating to an affected Series of Bonds, the Trustee, any owner of any Bonds of such affected Series or any Liquidity Facility Issuer of a Liquidity Facility relating to an affected Series of Bonds, with the consent of such Credit Facility Issuer, shall will have proceeded to enforce any right under this Resolution by the appointment of a receiver or otherwise, and such proceedings shall will have been discontinued or abandoned for any reason, or shall will have been determined adversely, then and in every such case the Gas Authority, such Credit Facility Issuer, such Liquidity Facility Issuer, the Trustee and the holders of the Bonds of the affected Series shall will be restored to their former positions and rights hereunder, respectively, and with regard to the property herein subject to this Resolution, and all rights, remedies and powers of such Credit Facility Issuer, such Liquidity Facility Issuer, the Trustee, the affected Series of and the holders of the Bonds of the affected Series shall will continue as if no such proceeding had been taken.

SECTION 7.09. *Waivers of Events of Default.* The Trustee may in its discretion with the consent, and shall will, at the direction of the Credit Facility Issuer of a Credit Facility relating to an affected Series of Bonds, as long as such Credit Facility Issuer has not defaulted under such Credit Facility and such Credit Facility has been fully reinstated according to the applicable terms thereof to the level in effect prior to such Event of Default, waive any Event of Default hereunder and its consequences and may rescind any declaration of acceleration of maturity of all the affected Series of Bonds and shall will do so with the consent of such Credit Facility

Issuer, upon the written request of the owners of (a) more than two-thirds in aggregate principal amount of all the Bonds of the affected Series then Outstanding or the Liquidity Facility Issuer, of the Liquidity Facility relating to the affected Series of Bonds, in the case of default in the payment of principal or interest or (b) more than one-half in aggregate principal amount of the Bonds of the affected Series then Outstanding or such Liquidity Facility Issuer, in the case of any other default but only with the prior written consent of such Credit Facility Issuer; provided, however, that there shall will not be waived (i) any default in the payment of the principal of any Outstanding Bond at the date of maturity specified therein or (ii) any default in the payment when due of the interest on any Outstanding Bond unless prior to such waiver all arrearages of interest or all arrearages of payments of principal, as the case may be, with interest on overdue principal and interest (to the extent allowed by law) at the rate borne by such Bond, and all expenses of the Trustee in connection with such default shall will have been paid or provided for, and in case of any such waiver or rescission, or in case any proceeding taken by the Trustee on account of any such default shall will have been discontinued or abandoned or determined adversely, then and in every such case the Gas Authority, the Trustee and the Bondholders shall will be restored to their former positions and rights hereunder, respectively, but no such waiver or rescission shall will extend to any subsequent or other default, or impair any right consequent thereon. No such waiver shall will affect the rights of third parties to payment of amounts provided for hereunder.

SECTION 7.10. *Notice of Defaults Under Section 7.01(c); Opportunity of Gas Authority to Cure Such Defaults.* Anything herein to the contrary notwithstanding, no default under Section 7.01(c) hereof shall will constitute an Event of Default until actual notice of such default by registered or certified mail shall will be given to the Gas Authority by the Trustee or the Credit Facility Issuer of the Credit Facility relating to the affected Series of Bonds or the owners of not less than 25% in aggregate principal amount of the Bonds of the affected Series then Outstanding or the Liquidity Facility Issuer of the Liquidity Facility relating to the affected Series of Bonds, with the prior written consent of such Credit Facility Issuer, and the Gas Authority shall will have had 60 days after receipt of such notice to correct the default or cause the default to be corrected, and shall will not have corrected the default or caused the default to be corrected within the applicable period; provided, however, if the default be such that it cannot be corrected within the applicable period, it shall will not constitute an Event of Default if corrective action is instituted by the Gas Authority within the applicable period and diligently pursued until the default is corrected.

With regard to any alleged default concerning which notice is given to the Gas Authority under the provisions of this Section, the Gas Authority hereby grants the Trustee full authority for the account of the Gas Authority to perform any covenant or obligation alleged in said notice to constitute a default, in the name and stead of the Gas Authority with full power to do any and all things and acts to the same extent that the Gas Authority could do and perform any such things and acts with power of substitution. However, the foregoing shall will not relieve the obligation of the Trustee, the Credit Facility Issuer of the Credit Facility relating to the affected Series of Bonds or the holders of the Bonds of the affected Series (as the case may be) from delivering actual notice to the Gas Authority pursuant to this Section 7.10.

ARTICLE VIII

THE TRUSTEE, THE TENDER AGENT AND DEPOSITARIES OF MONEYS

SECTION 8.01. *Acceptance of the Trusts.* Regions U.S. Bank National Association, Atlanta, Georgia, is hereby designated as the initial Trustee hereunder. The Trustee has evidenced its acceptance of the trusts imposed upon it by this Resolution by the execution and delivery to the Gas Authority of its written acceptance thereof. The Gas Authority and Trustee agree that this Resolution shall will constitute a trust agreement. The Trustee agrees to perform said trusts, but only upon and subject to the following express terms and conditions:

(a) The Trustee, prior to the occurrence of an Event of Default and after the curing of all Events of Default that may have occurred, undertakes to perform such duties and only such duties as are specifically set forth in this Resolution. In case an Event of Default has occurred (which has not been cured or waived), the Trustee shall will exercise such of the rights and powers vested in it by this Resolution, and use the same degree of care and skill in their exercise, as a prudent man would exercise or use under the circumstances in the conduct of his own affairs.

(b) The Trustee may execute any of the trusts or powers hereof and perform any of its duties by or through attorneys, agents, receivers or employees but shall will be answerable for the conduct of the same in accordance with the standard specified above, and shall will be entitled to advice of counsel concerning all matters of trusts hereof and the duties hereunder, and may in all cases pay such reasonable compensation to all such attorneys, agents, receivers and employees as may reasonably be employed in connection with the trusts hereof. The Trustee may act upon the opinion or advice of any attorneys (who may but need not be the attorney or attorneys for the Gas Authority or the Liquidity Facility Issuer) approved by the Trustee in the exercise of reasonable care. The Trustee shall will not be responsible for any loss or damage resulting from any action or non-action in good faith in reliance upon such opinion or advice.

(c) The Trustee shall will not be responsible for any recital herein, or in the Bonds or Parity Obligations (except in respect to the certificate of the Trustee endorsed on the Bonds or Parity Obligations), or for the validity of the execution by the Gas Authority of this Resolution or of any supplements hereto or instruments of further assurance, or for the sufficiency of the security for the Bonds issued hereunder or intended to be secured hereby.

(d) The Trustee shall will not be accountable for the use of any Bonds or Parity Obligations authenticated or delivered hereunder. The Trustee may become the owner of Bonds secured hereby with the same rights that it would have if not the Trustee.

(e) Unless an officer of the corporate trust department of the Trustee shall will have actual knowledge thereof, the Trustee shall will not be required to take notice or be deemed to have notice of any default hereunder except defaults under

Section 7.01(a) and 7.01(b) hereof unless the Trustee ~~shall~~will be specifically notified in writing of such default by the Gas Authority or the Credit Facility Issuer, the Liquidity Facility Issuer, the Holder of any Parity Obligation, a court of law or by any owner of a Bond. All notices or other instruments required by this Resolution to be delivered to the Trustee must, in order to be effective, be delivered at the principal corporate trust office of the Trustee, and in the absence of such notice so delivered, the Trustee may conclusively assume there is no default except as aforesaid.

(f) The Trustee ~~shall~~will be protected in acting upon any notice, request, consent, certificate, order, affidavit, letter, telegram or other paper or document believed to be genuine and correct and to have been signed or sent by the proper person or persons. The Trustee ~~shall~~will not withhold unreasonably its consent, approval or action to any reasonable request of the Gas Authority. Any action taken by the Trustee pursuant to this Resolution upon the request or authority or consent of any person who at the time of making such request or giving such authority or consent is the registered owner of any Bond or Holder of a Parity Obligation, ~~shall~~will be conclusive and binding upon all future owners of the same Bond or Parity Obligation and upon Bonds or Parity Obligations issued in exchange therefor or in place thereof.

(g) As to the existence or nonexistence of any fact or as to the sufficiency or validity of any instrument, paper or proceeding, the Trustee ~~shall~~will be entitled in good faith to rely upon a certificate signed by a Designated Officer of the Gas Authority as sufficient evidence of the facts therein contained and prior to the occurrence of a default of which the Trustee has knowledge, or is deemed to have notice pursuant to Section 8.01(e), ~~shall~~will also be at liberty to accept a similar certificate to the effect that any particular dealing, transaction or action is necessary or expedient, but may, at its discretion secure such further evidence deemed necessary or advisable, but ~~shall~~will in no case be bound to secure the same. The Trustee may accept a certificate of a Designated Officer of the Gas Authority under its seal to the effect that a resolution in the form therein set forth has been adopted by the Gas Authority as conclusive evidence that such resolution has been duly adopted, and is in full force and effect.

(h) The permissive right of the Trustee to do things enumerated in this Resolution ~~shall~~will not, unless otherwise provided herein, be construed as a duty and it ~~shall~~will not be answerable for other than its gross negligence or willful misconduct.

(i) At any and all reasonable times, the Trustee and its duly authorized agents, attorneys, experts, engineers, accountants and representatives, ~~shall~~will have the right to inspect any and all of the books, papers and records of the Gas Authority pertaining to the revenues and receipts under the Bonds, the Parity Obligations and the Trust Estate, and to take such memoranda from and in regard thereto as may be desired.

(j) The Trustee ~~shall~~will not be required to give any bond or surety in respect of the execution of the said trusts and powers or otherwise in respect of the premises.

(k) Notwithstanding anything elsewhere in this Resolution contained, the Trustee ~~shall will~~ have the right, but ~~shall will~~ not be required, to demand, in respect of the authentication of any Bonds or Parity Obligations, the withdrawal of any cash, or any action whatsoever within the purview of this Resolution, any showings, certificates, opinions, appraisals or other information, or corporate action or evidence thereof, in addition to that by the terms hereof required, as a condition of such action by the Trustee deemed desirable for the purpose of establishing the right of the Gas Authority to the authentication of any Bonds or Parity Obligations, the withdrawal of any cash, or the taking of any other action by the Trustee.

(1) Before taking the action referred to in Article VII (other than Article IV, Section 7.02(a)), 8.04 or 8.07 hereof, the Trustee or the Tender Agent, as applicable, may require that a satisfactory indemnity bond be furnished for the reimbursement of all expenses to which it may be put and to protect it against all liability, except liability which is adjudicated to have resulted from its gross negligence or willful misconduct by reason of any action so taken.

(m) All moneys received by the Trustee or Tender Agent ~~shall will~~, until used or applied or invested as herein provided, be held in trust for the purposes for which they were received but need not be segregated from other funds except to the extent required by law, and except for moneys held in the Credit Facility ~~Subaccounts of the Interest Account and Principal Account, respectively~~ Account of the Debt Service Fund, and proceeds from the remarketing of Bonds as permitted by the applicable Supplemental Resolution, which ~~shall will~~ at all times be segregated from all other funds. Except as provided herein, neither the Trustee nor Tender Agent ~~shall will~~ be under any liability for interest on any moneys received hereunder except such as may be agreed upon.

SECTION 8.02. *Fees, Charges and Expenses of Trustee and Tender Agent.* The Trustee and the Tender Agent ~~shall will~~ be entitled to payment and reimbursement for reasonable fees for their services rendered hereunder and under the Tender Agent Agreement and all advances, counsel fees and other expenses reasonably and necessarily made or incurred by the Trustee and the Tender Agent, in connection with such services but solely from moneys available therefor pursuant to Section 4.07 hereof except as otherwise provided in Section 7.05. The Trustee and Tender Agent ~~shall will~~ not be responsible for determining or certifying the reasonableness of any fee other than fees they ~~shall will~~ charge in their various capacities hereunder. Upon an Event of Default, but only upon an Event of Default, the Trustee and the Tender Agent ~~shall will~~ have a first lien with right of payment prior to payment on account of principal or interest on any Bond or Parity Obligation upon the Trust Estate, other than moneys drawn under the Credit Facility, moneys on deposit pursuant to Article VII and moneys held under Section 2.12 hereof, for the foregoing fees, charges and expenses incurred by them, respectively.

SECTION 8.03. *Notice to Bondholders and Holders of Parity Obligations If Default.* If the Trustee has or is deemed to have actual knowledge in accordance with Section 8.01(e) of an Event of Default, then the Trustee ~~shall will~~ promptly give written notice thereof by registered or certified mail to the Gas Authority, the holders of all Bonds and Parity Obligations then Outstanding, as shown by the registration books kept at the office of the registrar, and to the

Liquidity Facility Issuer, the Tender Agent and the Credit Facility Issuer (if any). If any Bonds or Parity Obligations are to be accelerated, the date of effectiveness of such acceleration shall will be fixed by the Trustee and notice given to the holder of each Bond and Parity Obligation and to the Tender Agent (if any) in the same time and manner as if all of the Bonds and Parity Obligations were being redeemed by exercise of optional redemption.

SECTION 8.04. *Intervention by Trustee.* In any judicial proceeding to which the Gas Authority is a party and which in the opinion of the Trustee and its counsel has a substantial bearing on the interests of the holders of the Bonds and Parity Obligations, the Trustee may intervene on behalf of the holders of the Bond and Parity Obligations, and shall will do so if requested in writing by the holder of any Parity Obligation or the Credit Facility Issuer (if any) or, with the prior written consent of the holders of Parity Obligations and the Credit Facility Issuer (if any), the owners of at least 25% of the aggregate principal amount of Bonds then outstanding or the Liquidity Facility Issuer (if any).

SECTION 8.05. *Successor Trustee.* Any corporation or association into which the Trustee may be converted or merged, or with which it may be consolidated, or to which it may sell or transfer its corporate trust business and assets as a whole or substantially as a whole, or any corporation or association resulting from any such conversion, sale, merger, consolidation or transfer to which it is a party, *ipso facto* may, with the prior written consent of the Gas Authority, be and become successor Trustee hereunder and vested with all of the title to the Trust Estate and all the trusts, powers, discretions, immunities, privileges and all other matters as was its predecessor without the execution or filing of any instrument or any further act, deed or conveyance on the part of any of the parties hereto, anything herein to the contrary notwithstanding; provided, however, that if at the time of any such conversion, merger, consolidation, sale or transfer there has occurred and is continuing a default or Event of Default hereunder, the Gas Authority shall will have no such consent right. If no such default or Event of Default has occurred and is continuing hereunder and the Gas Authority does not give its prior written consent to the vesting of title to the Trust Estate as provided in this Section 8.05, the successor Trustee shall will be appointed in accordance with Section 8.08 hereof.

SECTION 8.06. *Resignation by Trustee.* The Trustee and any successor Trustee may at any time resign from the trusts hereby created by giving 30 days' written notice by registered or certified mail to the Gas Authority, the holder of each Bond and Parity Obligation and the Credit Facility Issuer and the Liquidity Facility Issuer (if any). Such resignation shall will take effect upon (i) the appointment of a successor Trustee by the Gas Authority (if at the time of any such appointment no default or Event of Default has occurred and is continuing hereunder), or by the holders of the Bonds and Parity Obligations, (ii) the acceptance of such appointment by such successor, and (iii) the assignment of the Credit Facility and Liquidity Facility (if any) by the Trustee to its successor in accordance with their respective terms.

SECTION 8.07. *Removal of Trustee.* The Trustee may be removed at any time, by an instrument or concurrent instruments in writing delivered to the Trustee by the Gas Authority (if at the time of any such removal no default or Event of Default has occurred and is continuing hereunder) and signed by the Liquidity Facility Issuer and the Credit Facility Issuer (if any). Such removal shall will be effective upon the appointment of a successor Trustee by the Gas Authority or by the Requisite Holders, and the acceptance of such appointment by such

successor upon the assignment of the Credit Facility and Liquidity Facility (if any) by the Trustee to its successor in accordance with their respective terms.

SECTION 8.08. *Appointment of Successor; Temporary Trustee.* In case the Trustee hereunder shall will resign or be removed, or be dissolved, or shall will be in the course of dissolution or liquidation, or otherwise become incapable of acting hereunder, or in case it shall will be taken under the control of any public officer or officers, or of a receiver appointed by a court, a successor may be appointed by the Gas Authority with the consent of the Credit Facility Issuer and the Liquidity Facility Issuer, if any (if at the time of any such appointment no default or Event of Default has occurred and is continuing hereunder), or by the Requisite Holders with the consent of the Credit Facility Issuer and the Liquidity Facility Issuer (if any), by an instrument or concurrent instruments in writing signed by the Gas Authority or such Requisite Holders or by their attorneys in fact, duly authorized. A copy of such instrument or instruments shall will be delivered personally or sent by registered mail to the Gas Authority, the holder of each Bond and Parity Obligation and to the Credit Facility Issuer and the Liquidity Facility Issuer (if any). Any Trustee appointed by the Gas Authority shall will immediately and without further act be superseded by any Trustee appointed by the Requisite Holders. Notice of the appointment of a successor Trustee shall will be given in the same manner as provided by Section 8.06 hereof with respect to the resignation of a Trustee. Every such Trustee appointed pursuant to the provisions of this Section shall will be a trust company or commercial bank possessing trust powers in good standing having a reported capital and surplus of not less than \$25,000,000, shall will be rated Baa1/P-3 or better by Moody's, BBB/A-2 or better by S&P or BBB/F2 by Fitch if there be such an institution willing, qualified and able to accept the trust upon reasonable or customary terms.

SECTION 8.09. *Concerning Any Successor Trustee.* Every successor Trustee appointed hereunder shall will execute, acknowledge and deliver to its or his predecessor and also to the Gas Authority an instrument in writing accepting such appointment hereunder, and thereupon such successor, without any further act, deed or conveyance, shall will become fully vested with all the estates, properties, rights, powers, trusts, duties and obligations of its predecessors; but such predecessor shall will, nevertheless, on the written request of the Gas Authority or of the successor Trustee, execute and deliver an instrument transferring to such successor Trustee all the estates, properties, rights, powers and trusts of such predecessor hereunder; and every predecessor Trustee shall will deliver all securities, moneys, documents and other property held by it as the Trustee hereunder to its or his successor hereunder. Should any instrument in writing from the Gas Authority be required by any successor Trustee for more fully and certainly vesting in such successor the estate, rights, powers and duties hereby vested or intended to be vested in the predecessor any and all such instruments in writing shall will, on request, be executed, acknowledged and delivered by the Gas Authority. The resignation of any Trustee and the instrument or instruments removing any Trustee and appointing a successor hereunder, together with all other instruments provided for in this Article, shall will be filed or recorded by the successor Trustee in each recording office where this Resolution shall will have been filed or recorded.

The successor Trustee shall will notify any Rating Agency in writing of the resignation or removal of the prior Trustee and its appointment hereunder as soon as practicable after such appointment.

SECTION 8.10. *Designation of Tender Agent; Duties, Etc.* The Gas Authority shall will designate the Tender Agent for and in respect to each Series of Bonds to perform all duties hereunder set forth for the Tender Agent pursuant to the Supplemental Resolution issuing such Series of Bonds. The Gas Authority hereby covenants and agrees to cause the necessary arrangements to be made through the Trustee and to be thereafter continued as it deems necessary or appropriate for the carrying out of all duties required hereunder including but not limited to, registrar, paying agent and authenticating agent. The Tender Agent's appointment must be consented to by the Liquidity Facility Issuer and the Credit Facility Issuer.

The Tender Agent may at any time resign and be discharged of the duties and obligations created by this Resolution by giving at least 60 days' notice to the Gas Authority, the Credit Facility Issuer, the Liquidity Facility Issuer and the Trustee. The Tender Agent may be removed by the Gas Authority at any time, with the consent of the Liquidity Facility Issuer and the Credit Facility Issuer, by an instrument signed by the Gas Authority and filed with the Tender Agent and the Trustee.

In the event of the resignation or removal of the Tender Agent, the Tender Agent shall will pay over, assign and deliver any moneys, securities, records, documents, Liquidity Facility or Credit Facility held by it in such capacity to its successor or, if there be no successor, to the Trustee.

In the event that the Tender Agent shall will resign or be removed, or be dissolved, or if the property or affairs of the Tender Agent shall will be taken under the control of any state or federal court or administrative body because of bankruptcy or insolvency, or for any other reason, and the Gas Authority shall will not have appointed its successor as Tender Agent or if the party appointed as successor shall will not have assumed the duties of Tender Agent and received an assignment of the Credit Facility and the Liquidity Facility in accordance with their terms, the Trustee shall will *ipso facto* be deemed to be the Tender Agent for all purposes of this Resolution upon the assignment to the Trustee of the Credit Facility and the Liquidity Facility until the appointment by the Gas Authority, with the consent of the Liquidity Facility Issuer and the Credit Facility Issuer, of the Tender Agent or successor Tender Agent, as the case may be. The Trustee shall will give each Bondholder notice by first-class mail of the appointment of a successor Tender Agent.

The Tender Agent shall will be authorized by law to perform all duties imposed upon it by this Resolution, and shall will be a commercial bank possessing trust powers or trust company, and, shall will be rated Baa1/P-3 or better by Moody's, BBB-/A-2 or better by S&P or BBB/F2 by Fitch.

The Tender Agent shall will accept its duties hereunder by execution of the Tender Agent Agreement.

If the provisions of this Resolution and the Tender Agent Agreement conflict in any manner, this Resolution shall will control and the Tender Agent Agreement shall will so provide.

The Trustee shall will not be liable for acts of negligence or misconduct by the Tender Agent, its officers, employees or agents and all parties shall will look solely to such Tender Agent for any such liability.

SECTION 8.11. *Appointment of Separate or Co-Trustee.* It is the purpose of this Resolution that: (i) there shall will be no violation of any present or future law of any jurisdiction (including particularly the law of the State) denying or restricting the right of banking corporations or associations to transact business as the Trustee in such jurisdiction, and (ii) there shall will be no restriction on the ability of the Trustee or corporate affiliates of the Trustee to be the issuer of any Credit Facility. In view of the foregoing, the Trustee is hereby given the power (and in the case of subparagraph (a) (ii) below, the obligation) to appoint an additional individual or institution as a separate or co-trustee in the following circumstance:

(a) In case of (i) litigation under this Resolution, and in particular in the case of enforcement thereof on default, or (ii) in case the Trustee deems that by reason of any present or future law of any jurisdiction it may not exercise any of the powers, rights or remedies herein granted to the Trustee or hold title to the properties, in trust, and as herein granted, or take any other action which may be desirable or necessary in connection therewith, the Trustee may (or in the case of (a)(ii), shall will) appoint an additional individual or institution as a separate or co-Trustee.

(b) In the event that the Trustee appoints an additional individual or institution as a separate or co-Trustee, each and every remedy, power, right, claim, demand, cause of action, immunity, estate, title, interest and lien expressed or intended by this Resolution to be exercised by or vested in or conveyed to the Trustee with respect thereto shall will be exercisable by and vest in such separate or co-trustee but only to the extent necessary to enable such separate or co-Trustee to exercise such powers, rights and remedies, and every covenant and obligation necessary to the exercise thereof by such separate or co-Trustee shall will run to and be enforceable by either of them.

Should any instrument in writing from the Gas Authority be required by the separate or co-Trustee so appointed by the Trustee for more fully and certainly vesting in and confirming to him or it such properties, rights, powers, trusts, duties and obligations, any and all such instruments in writing shall will, on request, be executed, acknowledged and delivered by the Gas Authority. In case any separate or co-Trustee, or a successor to either, shall will die, become incapable of acting, resign or be removed, all the estates, properties, rights, powers, trusts, duties and obligations of such separate or co-Trustee, so far as permitted by law, shall will vest in and be exercised by the Trustee until the appointment of a new Trustee or a successor to such separate or co-Trustee.

SECTION 8.12. *Indemnification of Trustee.* The Gas Authority agrees to indemnify and hold the Trustee harmless from any and all liability, loss, damage, costs and expenses of any nature (including interest and reasonable counsel fees) arising out of or in connection with its

obligations and duties, or those of its employees or agents arising from its performance under this Resolution, except for costs, expenses, fees and liabilities arising out of its gross negligence or willful misconduct. This indemnity includes, but is not limited to, any reasonable action taken or omitted within the scope of this Resolution or any action taken or omitted upon oral, telephonic or written instructions received or reasonably believed to have been received from the Liquidity Facility Issuer, the Credit Facility Issuer, the Tender Agent, the Remarketing Agent, the Gas Authority or any Designated Officer of the Gas Authority.

SECTION 8.13. *Reports to Liquidity Facility Issuer and Credit Facility Issuer.* The Trustee and Tender Agent ~~shall~~will each provide to the Gas Authority, the Liquidity Facility Issuer and Credit Facility Issuer on request copies of all notices, documents or reports provided to or by it under this Resolution.

SECTION 8.14. *Depositories.* (a) All moneys held by the Trustee, the Co-Trustee or the Gas Authority under the provisions of the Resolution ~~shall~~will constitute trust funds for which the Trustee, the Co-Trustee, or the Gas Authority, respectively, ~~shall~~will be responsible as a trustee and the Trustee, the Co-Trustee or the Gas Authority may deposit such moneys with one or more Depositories. All moneys deposited under the provisions of the Resolution ~~shall~~will be held in trust by the Trustee, the Co-Trustee or the Gas Authority and applied only in accordance with the provisions of the Resolution, and each of the Funds established by the Resolution ~~shall~~will be a trust fund for the purposes thereof.

(b) Each Depository ~~shall~~will be a bank or trust company organized under the laws of any state of the United States or a national banking association and willing and able to accept the office on reasonable and customary terms and authorized by law to act in accordance with the provisions of the Resolution.

(c) All Revenues and other moneys held by any Depository under the Resolution may be placed on demand or time deposit, if and as directed by the Gas Authority, provided that such deposits ~~shall~~will permit the moneys so held to be available for use at the time when needed. The Gas Authority ~~shall~~will not be liable for any loss or depreciation in value resulting from any investment made pursuant to the Resolution. All moneys held by any Depository, as such, may be deposited by such Depository in its banking department on demand deposit or, if and to the extent directed by the Gas Authority and acceptable to such Depository, on time deposit, provided that such moneys on deposit be available for use at the time when needed. Such Depository ~~shall~~will allow and credit on such moneys such interest, if any, as it customarily allows upon similar funds of similar size and under similar condition or as required by law.

ARTICLE IX

SUPPLEMENTAL RESOLUTIONS

SECTION 9.01. *Supplemental Resolutions Not Requiring Consent of Bondholders.* The Gas Authority and the Trustee may, without the consent of or notice to any of the Bondholders and without the consent of or prior notice to any Liquidity Facility Issuer or Credit Facility Issuer, enter into any resolution or resolutions supplemental to this Resolution for any one or more of the following purposes:

- (a) to authorize the issuance of additional Series of Bonds hereunder;
- (b) To cure any ambiguity or formal defect or omission in this Resolution;
- (c) To grant to or confer upon the Trustee for the benefit of the Bondholders and Holders of Parity Obligations any additional benefits, rights, remedies, powers or authorities that may lawfully be granted to or conferred upon the Bondholders or Holders of Parity Obligations or the Trustee, or to make any change which, in the judgment of the Trustee, is not to the material prejudice of the Bondholders or Holders of Parity Obligations;
- (d) To subject to this Resolution additional revenues, properties or collateral;
- (e) To modify, amend or supplement this Resolution or any agreement supplemental hereto in such manner as to permit the qualification hereof under the Trust Indenture Act of 1939 or any similar federal statute hereafter in effect or to permit the qualification of the Bonds for sale under the securities laws of the United States of America or of any of the states of the United States of America, and, if they so determine, to add to this Resolution or any indenture supplemental hereto such other terms, conditions and provisions as may be permitted by said Trust Indenture Act of 1939 or similar federal statute;
- (f) To evidence the appointment of a separate or co-trustee or a co-registrar or transfer agent or the succession of a new Trustee or Tender Agent pursuant to the terms hereof;
- (g) To provide for the issuance of Bonds in Book-Entry Form and any provisions related thereto as may be required by the registered owner of Bonds while the Bonds are in Book-Entry Form or for the issuance of coupons and bearer Bonds or Bonds registered only as to principal, if permitted by law;
- (h) To secure or maintain ratings from any Rating Agency in both the highest short-term or commercial paper debt rating, category and also in either of the two highest long-term debt rating categories of the applicable rating agency or agencies, which changes will not restrict, limit or reduce the obligation of the Gas Authority to pay the principal or purchase price of, premium, if any, and interest on the Bonds or Parity

Obligations as provided in this Resolution or otherwise materially adversely affect the owners of the Bonds under this Resolution;

(i) To provide demand purchase obligations to cause the Bonds to be authorized purchases for Investment Companies;

(j) To provide for separate accounts within the Funds established pursuant to Article V hereof;

(k) To provide for an Alternate Credit Facility in accordance with Section 4.16 hereof;

(l) To provide for an Alternate Liquidity Facility in accordance with Section 4.17 hereof;

(m) To provide for drawings on an Alternate Credit Facility, including such changes to Section 4.08 and otherwise, not materially adverse to the Bondholders, as may be necessary or customary in the use of a standby or other form of credit enhancement;

(n) To provide, at any time prior to the issuance of the first Series of Bonds hereunder, for any necessary conforming or corrective changes required by the Rating Agency or the Credit Facility Issuer, or reasonably necessary to effect the transactions contemplated in the acquisition of the Project; and

(o) To effect any changes in this Resolution not specified in (a) through (n) above which, in the opinion of counsel or of the Trustee, are not to the prejudice of the Bondholders.

Upon adoption of any supplemental resolution pursuant to this Section 9.01, the Gas Authority shall will provide a copy thereof to the Liquidity Facility Issuer and Credit Facility Issuer. Upon entering any trust agreement supplemental to this Resolution pursuant to this Section, the Trustee shall will give written notice thereof to any Rating Agency.

SECTION 9.02. *Supplemental Resolution Requiring Consent of Bondholders and Holders of Parity Obligations.* Exclusive of supplemental resolutions covered by Section 9.01 hereof and subject to the terms and provisions contained in this Section, and not otherwise, the Holders of not less than two-thirds in aggregate principal amount of the Bonds (other than Bank Bonds) and Parity Obligations then Outstanding which are affected, with the consent of the Liquidity Facility Issuer of the Liquidity Facility relating to the affected Series of Bonds and the Credit Facility Issuer of the Credit Facility relating to the affected Series of Bonds, shall will have the right, from time to time, anything contained in this Resolution to the contrary notwithstanding, to consent to and approve the execution by the Gas Authority and the Trustee of such other resolution or resolutions supplemental hereto as shall will be deemed necessary and desirable by the Trustee for the purpose of modifying, altering, amending, adding to or rescinding, in any particular, any of the terms or provisions contained in this Resolution or in any other Supplemental Resolution; provided, however, that nothing in this Section contained shall will

permit, or be construed as permitting (1) without the consent of the Holders of all then Outstanding Bonds and Parity Obligations, such Credit Facility Issuer and such Liquidity Facility Issuer, (a) an extension of the maturity date of the principal of or the interest on any such Bond or Parity Obligation, or (b) a reduction in the principal amount of any such Bond or Parity Obligation, premium, if any, or the rate of interest thereon, or (c) a privilege or priority of any Bond or Parity Obligation over any other Bond or Parity Obligation, or (d) a reduction in the aggregate principal amount of the Bonds or Parity Obligations required for consent to such supplemental resolution, or (e) the creation of any lien other than those specifically contemplated hereunder, or (f) any material modification of any tender rights pursuant to a Supplemental Resolution, or (2) any modification of the trusts, powers, rights, obligations, duties, remedies, immunities and privileges of the Trustee without the written consent of the Trustee.

If at any time the Gas Authority shall will request the Trustee to enter into any such Supplemental Resolution for any of the purposes of this Section, the Trustee shall will, upon being satisfactorily indemnified with respect to expenses, cause notice of the proposed execution of such Supplemental Resolution to be mailed by registered or certified mail to each owner of a Bond at the address shown on the registration books. Such notice shall will briefly set forth the nature of the proposed Supplemental Resolution and shall will state that copies thereof are on file at the principal corporate trust office of the Trustee by all Bondholders and Holders of Parity Obligations. If, within 60 days, or such longer period as shall will be prescribed by the Gas Authority, following the mailing of such notice, the Holders of not less than two-thirds (or all, if applicable) in aggregate principal amount of the Bonds and Parity Obligations Outstanding at the time of the execution of any such Supplemental Resolution shall will have consented to and approved the execution thereof as herein provided, no owner of any Bond or Parity Obligation shall will have any right to object to any of the terms and provisions contained therein, or the operation thereof, or in any manner to question the propriety of the execution thereof, or to enjoin or restrain the Trustee or the Gas Authority from executing the same or from taking any action pursuant to the provisions thereof. Upon the execution of any such Supplemental Resolution as in this Section permitted and receipt of the opinion hereinafter described, this Resolution shall will be and be deemed to be modified and amended in accordance therewith.

The effectiveness of such Supplemental Resolution shall will also be conditioned upon receipt by the Trustee of an opinion of Bond Counsel addressed to the Trustee and the Gas Authority that such Supplemental Resolution is (a) duly authorized under the Act and the laws of the State of Georgia, (b) permitted under the terms of this Resolution and (c) does not affect the tax exempt status of any Series of Bonds or Parity Obligations, the interest on which is excluded from gross income for federal tax purposes.

Upon entering any resolution supplemental to this Resolution pursuant to this Section, the Trustee shall will give written notice thereof to any Rating Agency.

ARTICLE X

AMENDMENT OF SUPPLEMENTAL CONTRACTS AND OTHER DOCUMENTS

SECTION 10.01. *Amendments, etc., to the Liquidity Facility or the Supplemental Contracts Not Requiring Consent of Bondholders or Holders of Parity Obligations.* The Gas Authority and the Trustee may, without consent of or notice to the Bondholders or Holders of Parity Obligations, but only with the consent of the Liquidity Facility Issuer of the Liquidity Facility relating to the affected Series of Bonds and the Credit Facility Issuer of the Credit Facility relating to the affected Series of Bonds, consent to any amendment, change or modification of Supplemental Contracts, or a termination of such Liquidity Facility, that may be required (a) by the provisions of such Liquidity Facility, the Supplemental Contracts or this Resolution, (b) for the purpose of curing any ambiguity or formal defect or omission, (c) so as to add additional rights acquired in accordance with the provisions of such Liquidity Facility, such Credit Facility, or the Supplemental Contracts (d) in connection with any other change therein (or a termination of such Liquidity Facility) which, in the opinion of counsel, is not to the material prejudice of the holders of the Bonds or Parity Obligations. The Trustee shall will require, in connection with such amendment, change or modification, an opinion of Bond Counsel addressed to the Trustee and the Gas Authority that such amendment, change or modification is (a) duly authorized under the Act and the laws of the State of Georgia, (b) permitted under the terms of this Resolution and (c) does not affect the tax exempt status of any Series of Bonds or Parity Obligation, the interest on which is excluded from inclusion in gross income for federal tax purposes.

The Trustee shall will give written notice to any Rating Agency of all amendments, changes or modifications made by authority of this Section.

SECTION 10.02. *Amendments, etc., to the Liquidity Facility or the Supplemental Contracts Requiring Consent of Bondholders or Holders of Parity Obligations.* Except for amendments, changes or modifications provided for in Section 10.01 hereof, neither the Gas Authority nor the Trustee shall will consent to any amendment, change or modification of any Credit Facility, any Liquidity Facility, or the Supplemental Contracts without the mailing of notice and the written approval or consent of, with respect to the Supplemental Contracts, the owners of all of the Bonds and Parity Obligations at the time Outstanding given and procured as in this Section provided, and, with respect to any Credit Facility, the consent of the Liquidity Facility Issuer of the Liquidity Facility relating to the Series of Bonds to which such Credit Facility relates and, with respect to any Liquidity Facility, the consent of the Credit Facility Issuer of the Credit Facility relating to the Series of Bonds to which the Liquidity Facility relates. If at any time the Gas Authority, such Liquidity Facility Issuer or such Credit Facility Issuer, as the case may be, shall will request the consent of the Trustee to any such proposed amendment, change or modification of such Credit Facility, such Liquidity Facility, or the Supplemental Contracts, the Trustee shall will, upon being satisfactorily indemnified with respect to expenses, cause notice of such proposed amendment, change or modification to be mailed in the same manner as provided by Section 9.02 hereof with respect to supplemental resolutions. Such notice shall will briefly set forth the nature of such proposed amendment, change or modification and shall will state that copies of the instrument embodying the same are on file with the Trustee for inspection by all Bondholders and Holders of Parity Obligations. Nothing contained in this Section shall will permit, or be construed as permitting, a reduction of the aggregate principal amount of Bonds and Parity Obligations the

Holders of which are required to consent to any amendment, change or modification of any Credit Facility, any Liquidity Facility, or any Supplemental Contracts, or a reduction in, or a postponement of, the payments under any Credit Facility, any Liquidity Facility, or any Supplemental Contracts, or a termination or reduction of the Supplemental Contracts, any Credit Facility, or any Liquidity Facility (other than pursuant to Section 10.01 or 11.05 hereof), without the consent of the owners of all of the Bonds and Parity Obligations then Outstanding and the prior written consent of such Credit Facility Issuer and such Liquidity Facility Issuer.

The Trustee ~~shall~~will require, in connection with such amendment, change or modification, an opinion of Bond Counsel addressed to the Trustee and the Gas Authority that such amendment, change or modification is (a) duly authorized under the Act and the laws of the State of Georgia, (b) permitted under the terms of this Resolution and (c) does not affect the tax exempt status of any Series of Bonds or Parity Obligations, the interest on which is excluded from inclusion in gross income for federal tax purposes.

The Trustee ~~shall~~will give written notice to any Rating Agency of all amendments, changes or modifications made by authority of this Section.

ARTICLE XI

GENERAL COVENANTS

SECTION 11.01. *Performance of Covenants; the Gas Authority.* The Gas Authority covenants that it will faithfully perform at all times any and all covenants, undertakings, stipulations and provisions contained in this Resolution, in any and every Bond and Parity Obligation executed, authenticated and delivered hereunder and thereunder and in all of its proceedings pertaining hereto and thereto. The Gas Authority covenants that it is duly authorized under the Constitution and laws of the State, including particularly the Act, to issue the Bonds and Parity Obligations authorized hereby and thereby and to execute this Resolution, to execute and deliver the Supplemental Contracts, to assign the Supplemental Contracts and amounts payable thereunder, and to pledge the Trust Estate in the manner and to the extent herein and therein set forth; that all action on its part for the issuance of the Bonds and the execution and delivery of this Resolution and any Parity Obligation has been duly and effectively taken, and that the Bonds and any Parity Obligation in the hands of the Holders thereof are and will be valid and enforceable obligations of the Gas Authority according to the terms thereof and hereof, except as such enforcement may be limited by laws affecting creditors rights and by judicial application of principles of equity.

SECTION 11.02. *Instruments of Further Assurance.* The Gas Authority agrees that the Trustee may defend its rights to any amounts payable under the Supplemental Contracts for the benefit of the Owners of the Bonds and the Holders of Parity Obligations against the claims and demands of all persons whomsoever. The Gas Authority covenants that it will do, execute, acknowledge and deliver, or cause to be done, executed, acknowledged and delivered, such resolutions supplemental hereto and such further acts, instruments and transfers as the Trustee may reasonably require for the better assuring, transferring, pledging, assigning and confirming unto the Trustee all and singular the rights assigned hereby and the amounts and other property pledged hereby to the payment of the principal of and interest on the Bonds and Parity Obligations. The Gas Authority covenants and agrees that, except as provided herein or in the Supplemental Contracts, it will not sell, convey, assign, pledge, encumber or otherwise dispose of any part of the Trust Estate.

SECTION 11.03. *Recording and Filing.* The Trustee ~~shall~~will keep and file or cause to be kept and filed all financing statements related to this Resolution and all supplements hereto, and such other documents as may be requested in writing by Designated Officer of the Gas Authority. In carrying out its duties under this Section 11.03, the Trustee ~~shall~~will be entitled to rely on an opinion of its counsel specifying what actions are required to comply with this Section 11.03.

SECTION 11.04. *Rights Under the Supplemental Contracts.* So long as the Bonds and any Parity Obligation are Outstanding, the Gas Authority ~~shall~~will use its best efforts to ensure that its rights under the Supplemental Contracts remain assigned to the Trustee, and the Trustee ~~shall~~will comply with its obligations and duties thereunder.

SECTION 11.05. *Possession and Inspection of Supplemental Contracts.* The Gas Authority and the Trustee covenant and agree that all books and documents in their possession relating to the

Supplemental Contracts and to the distribution of proceeds thereof shall will at all time be open to inspection by such accountants or other agencies or persons as the other party may from time to time designate.

SECTION 11.06. *Provision of Documents to Bondholders and Holders of Parity Obligations.* If any Bondholder shall will request of the Gas Authority or Trustee a copy of this Resolution, any Liquidity Facility or the Supplemental Contracts, the Trustee shall will, at the expense of the Bondholder or Holder, provide such Bondholder or Holder with a photocopy or other copy of any such document requested.

SECTION 11.07. *Limitation on Liens.* The Gas Authority will not create or incur or suffer or permit to be created or incurred or to exist any mortgage, lien, charge or encumbrance on or pledge of any of the Trust Estate other than the lien of this Resolution or any further supplement hereto.

SECTION 11.08. *Gas Authority's Existence.* The Gas Authority will do or cause to be done all things within its control which are necessary to preserve and keep in full force and effect its existence, statutory rights and franchises; provided, however, that the Gas Authority shall will not be required to preserve any right or franchise if the governing body of the Gas Authority shall will determine that the preservation thereof is no longer desirable in the conduct of the affairs of the Gas Authority and that the loss thereof is not disadvantageous in any material respect to the Bondholders or Holders of Parity Obligations.

SECTION 11.09. *Rights of Liquidity Facility Issuer and Credit Facility Issuer After Payment in Full.* Upon termination of either or both of a Liquidity Facility and a Credit Facility and the payment of all amounts due to the applicable Liquidity Facility Issuer and the applicable Credit Facility Issuer, respectively, hereunder and thereunder, the right of such Liquidity Facility Issuer and such Credit Facility Issuer, respectively, to consent to, direct or control any events hereunder shall will cease and be of no force and effect with respect to the affected Series of Bonds or Parity Obligations.

SECTION 11.10. *Defaults of Credit Facility Issuer.* If, at any time, a Credit Facility Issuer shall will fail to meet its obligations under a Credit Facility, the rights of a Credit Facility Issuer to consent to or authorize actions to be taken (including, but not limited to, all rights of such Credit Facility Issuer under Article IV hereof) shall will automatically vest in the applicable Liquidity Facility Issuer (or the Bondholders, if such Liquidity Facility Issuer has failed to meet its obligations under the applicable Liquidity Facility) rather than such Credit Facility Issuer until cured by such Credit Facility Issuer.

ARTICLE XII

MISCELLANEOUS

SECTION 12.01. *Consents, etc. of Bondholders.* Any consent, request, direction, approval, objection or other instrument required by this Resolution to be signed and executed by the Bondholders or Holders of Parity Obligations may be in any number of concurrent writings of similar tenor and may be signed or executed by such Bondholders or Holders of Parity Obligations in person or by agent appointed in writing. Proof of the execution of any such consent, request, direction, approval, objection or other instrument or of the writing appointing any such agent and of the ownership of Bonds, if made in the following manner, shall will be sufficient for any of the purposes of this Resolution, and shall will be conclusive in favor of the Gas Authority, the Trustee and the Remarketing Agent with regard to any action taken by it under such request or other instrument, namely:

(i) The fact and date of the execution by any person of any such writing may be proved by the certificate of any officer in any jurisdiction who by law has power to take acknowledgments within such jurisdiction that the person signing such writing acknowledged before him the execution thereof, or by an affidavit of any witness to such execution.

(ii) The fact of ownership of Bonds and the amount or amounts, numbers and other identification of Bonds, and the date of owning the same shall will be proved by the registration books of the Gas Authority maintained by the Agent pursuant to Section 2.10 hereof.

SECTION 12.02. *Limitation of Rights.* With the exception of rights herein expressly conferred or as otherwise provided herein, nothing expressed or mentioned in or to be implied from this Resolution, the Bonds or Parity Obligations is intended or shall will be construed to give to any person or company other than the parties hereto, the Liquidity Facility Issuer, the Credit Facility Issuer, the owners of the Bonds, and Holders of Parity Obligations any legal or equitable right, remedy or claim under or in respect to this Resolution or any covenants, conditions and provisions herein contained; this Resolution and all of the covenants, conditions and provisions hereof and thereof being intended to be and being for the sole and exclusive benefit of the parties hereto and thereto, the Liquidity Facility Issuer, the Credit Facility Issuer, the owners of the Bonds and Holders of Parity Obligations as herein provided.

SECTION 12.03. *Severability.* If any provision of this Resolution shall will be held or deemed to be or shall will, in fact, be illegal, inoperative or unenforceable, the same shall will not affect any other provision or provisions herein or therein contained or render the same invalid, inoperative or unenforceable to any extent whatever.

SECTION 12.04. *Notices.*—Any notice, request, complaint, demand, communication or other paper ~~shall~~will be sufficiently given and ~~shall~~will be deemed given when delivered or mailed by registered or certified mail, postage redeemed, or sent by telegram, telex, or telecopier addressed to the parties as follows:

Gas Authority: Municipal Gas Authority of Georgia
104 TownPark Drive
Kennesaw, Georgia 30144
Facsimile No: (770) 425-3372

Trustee: ~~Regions~~U.S. Bank ~~National Association~~
Corporate Trust Services
~~1180~~ 1349 West Peachtree Street, ~~Ste. 1200~~
Suite 1050
Atlanta, Georgia 30309
~~Attn: Corporate Trust Services~~
Facsimile No: (404) ~~684~~365-37707946

Tender Agent: As specified in the applicable
Supplemental Resolution.

S&P: Standard & Poor's Ratings Service
Utilities & Infrastructure Practice
55 Water Street, 38th Floor
New York, New York 10041
Attn: Public Finance Structured Group Surveillance
Facsimile No: (212) 438-2157

Fitch: Fitch Ratings
One State Street Plaza
New York, New York 10004
Global Power
Facsimile No: (212) 635-0469

Remarketing Agent: As specified in the applicable
Supplemental Resolution.

Credit Facility Issuer and
Liquidity Facility Issuer: As specified in the application
Supplemental Resolution

The above parties may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates or other communications ~~shall~~will be sent. The Trustee, the Tender Agent and the Remarketing Agent ~~shall~~will provide the Credit Facility Issuer, the Liquidity Facility Issuer, and the Remarketing Agent with copies of all notices, documents or reports provided to or by any of them under this Resolution, including, without limitation, notice of any default by a Participating Member under any Supplemental Contracts,

notice of any reduction in the investment rating of the Bonds and notice of any Event of Default under this Resolution.

SECTION 12.05. *Notices to Any Rating Agency of Certain Modifications and Amendments.* The Trustee (or the Gas Authority in the case of clause (4) below) ~~shall~~will notify any Rating Agency of (1) the expiration, termination or extension of the Credit Facility, Liquidity Facility or any applicable Alternate Credit Facility or Alternative Liquidity Facility with respect to a Series of Bonds, (2) the conversion of the Bonds to the Flexible Mode or the Fixed Mode, (3) the proposed substitution of an Alternate Liquidity Facility pursuant to Section 4.17 hereof or Alternative Credit Facility pursuant to Section 4.16 hereof for a Series of Bonds (which notice ~~shall~~will be given at least 30 days in advance), (4) the resignation of the Trustee pursuant to Section 8.06 hereof, (5) the removal of the Trustee pursuant to Section 8.07 hereof, (6) the removal or resignation of the Remarketing Agent, (7) any modification of the Liquidity Facility or Credit Facility for a Series of Bonds, the Supplemental Contracts, or this Resolution, (8) payment in full of the Bonds or payment of all or any portion of the Bonds pursuant to Section 6.02 of this Resolution, and (9) acceleration of the Bonds following an Event of Default under Section 7.01(e) or 7.01(f). Anything herein to the contrary notwithstanding, any consent, notice or approval required to be given to or by any Rating Agency ~~shall~~will only be required of any Rating Agency (or agencies) then having an outstanding rating for the Bonds.

SECTION 12.06. *Payments Due on Saturdays, Sundays and Holidays.* In any case where the date of payment of principal of or interest on the Bonds or the date fixed for redemption of any Bonds ~~shall~~will be other than a Business Day, then such payment, redemption or purchase ~~shall~~will be made on the succeeding Business Day with the same force and effect as if made on the date of maturity or the date fixed for redemption or the date fixed for purchase.

SECTION 12.07. *Conflicts.* Any conflict between the rights and obligations of the Credit Facility Issuer under this Resolution and the rights and obligations of the Credit Facility Issuer under the Credit Facility ~~shall~~will be resolved in favor of the Credit Facility.

SECTION 12.08. *Effective Date.* This Resolution ~~shall~~will take effect immediately upon its adoption.

MUNICIPAL GAS AUTHORITY OF GEORGIA

By _____
Chairman

SECRETARY-TREASURER'S CERTIFICATE

NOW COMES the undersigned Secretary-Treasurer of the Municipal Gas Authority of Georgia, keeper of the records and seal thereof, and certifies that the foregoing pages of typewritten matter constitute a true and correct copy of an Amended and Restated Bond Resolution duly adopted by the Gas Authority in a public meeting duly and lawfully assembled on February 25, 2015, 2020, in compliance with Official Code of Georgia Annotated Section 50-14-1, which meeting was open to the public and at which a quorum was present and acting throughout, the original of which Resolution has been entered in the official records of the Gas Authority and is in my official possession, custody and control and that such Resolution is in full force and effect as of the date herein below set forth.

This — day of —, 20152020.

Secretary-Treasurer

FILING WITH TRUSTEE

The undersigned, as Trustee under the Gas Revenue Bond Resolution (Gas Portfolio ~~IVY~~ Project) of the Municipal Gas Authority of Georgia (the "Gas Authority") adopted ~~November 19, 2014, and amended and restated on February 25, 2015~~, 2020 (the "Bond Resolution"), hereby acknowledges the filing with it of a copy of the foregoing Bond Resolution certified by a designated officer of the Gas Authority.

This ___ day of _____ ~~2015~~, 2020.

~~REGIONS BANK~~ S.U.S. BANK NATIONAL ASSOCIATION, Trustee

Authorized Officer

Summary report: Litera® Change-Pro for Word 10.7.0.7 Document comparison done on 6/16/2020 1:04:58 PM	
Style name: Default Style	
Intelligent Table Comparison: Active	
Original filename: Portfolio IV Bond Resolution As Adopted 11_19_14 and amended and restated 2_15.DOC	
Modified filename: 2020-5 Draft Portfolio V Bond Resolution.doc	
Changes:	
<u>Add</u>	621
<u>Delete</u>	643
<u>Move From</u>	0
<u>Move To</u>	0
<u>Table Insert</u>	0
<u>Table Delete</u>	0
<u>Table moves to</u>	0
<u>Table moves from</u>	0
Embedded Graphics (Visio, ChemDraw, Images etc.)	0
Embedded Excel	0
Format changes	0
Total Changes:	1264

Wolf Tree Cost Increase

**CITY OF QUINCY
CITY COMMISSION
AGENDA REQUEST**

MEETING DATE: February 9, 2021

DATE OF REQUEST: January 6, 2021

TO: Honorable Mayor and members of the City Commission

FROM: Jack L. McLean Jr., City Manager
Robin Ryals, Utilities Director

SUBJECT: Second Request to Approve Wolf Tree Cost Increase

Statement of Issue:

Staff submitted a request to approve Wolf Tree Service cost increase at the January 26, 2021 Commission Meeting. The Commission asked that the Agenda Item be tabled and brought back for approval.

Wolf Tree Service has been contracting with the City of Quincy Utilities Department since Hurricane Michael hit in October of 2018. Wolf Tree continues to trim ROW for the Utilities Department and is asking for a 3% increase to keep up with the Labor Rates and associated costs for equipment. Wolf Tree cost to maintain large equipment is expensive and difficult. Retaining quality personnel is equally difficult. As the cost of living and wages increase, contracts must be amended to assure the valuable service performed is compensated according to living standards.

Background:

Wolf tree has more than proved worth their cost to the City of Quincy Power Grid thru System Reliability and outage Management. Their ROW efforts has helped the Utility Department save many hours of overtime thru cutting call-outs basically in half. Their working has freed up my crews to be able to put lines underground and strengthen overhead lines in critical areas. We piggy-backed on the Tallahassee contract and Tallahassee has already approved the contract increase.

Staff Recommendation:

Staff recommends that the City Commission grant the attached increase and allow Wolf Tree to continue working for the City of Quincy.

Options:

Option1: Vote to approve the increase for Wolf Tree Service and allow them to continue to working for the City of Quincy.

Option 2: Do not approve Wolf Contract Service increase and seek other tree contractors to do the work for a cheaper cost.

Option 3: Provide directions.

Recommended Option:

Option 1

ATTACHMENTS:

- Wolf Tree Labor and Equipment Pricing Letter

December 21, 2020



Robin Ryals
The City of Quincy
423 W. Washington St.
Quincy, FL 32351

RE: 2021 Labor and Equipment Pricing

Dear Mr. Ryals,

Wolf Tree thanks you for the privilege of working on your system.

The last two years have seen a significant shift in the labor market for utility line clearance. The demand for quality, and more importantly, safety conscience employees has driven wages considerable. Wolf Tree is deeply committed to employing a safe and productive workforce. New emissions standards, as well as increases in raw material to the manufacturer, have driven the prices to maintain our equipment to new heights. We have a clear understanding of the arena that we operate in and budgets can be tight.

We are requesting, for your consideration, a 3% increase on labor and equipment rates except for the chipper. The chipper would be increased to \$5.25 which is still below rates on neighboring clients.

Below please find our current and proposed pay rates, for your consideration effective 01/03/2021.

Job Classification	Current hourly rate	Proposed hourly rate
Crew Leader	28.41	29.26
Trimmer	24.86	25.61
Ground Person	21.31	21.95

Equipment	Current hourly rate	Proposed hourly rate
Aerial Lift	17.20	17.72
Chipper	4.75	5.25
Saw, ea	.80	.82

Thank you again for the honor of serving your right-of-way maintenance needs. We look forward to continuing our relationship with City of Quincy.

Sincerely,

Marvin Hassell

Marvin Hassell
Sr. Vice President

Wolf Tree, Inc.

Signature: _____

Name: _____

Date: _____

City of Quince

Customer Signature: _____

Customer Name: _____

Date: _____

Rostan Solutions, LLC Contractual Agreement and Amendments

**CITY OF QUINCY
CITY COMMISSION
AGENDA REQUEST**

MEETING DATE: February 9, 2021

DATE OF REQUEST: December 01, 2020

TO: Honorable Mayor and Members of the City Commission

FROM: Jack L. McLean Jr., City Manager
Dr. Beverly A. Nash, Grants

SUBJECT: Rostan Solutions, LLC (Continuation) Contractual Agreement
and Amendment/Task Order 1: Hurricane Michael Disaster
Recovery (4399DR-FL)

Background:

In November 2018, after the impact and devastation of Hurricane Michael, the City search for a contractor/consultant who could assist the City with the specifics of FEMA disaster funding for recovery and mitigation.

The contract between Rostan Solutions, LLC and the City of Quincy was negotiated by way of the Houston-Galveston Area Council (H-GAC) Cooperative Purchasing Program, which pre-identifies and pre-procures contractors who are qualified to perform "All Hazards Preparedness, Planning, and Recovery Services". The original contractual agreement with authorized task orders was signed and effective November 29, 2018. Additional amendments/change orders and extensions were approved on: December 10, 2019 and September 8, 2020.

Rostan Solutions, LLC has effectively worked with City Staff on all aspects of Federal Emergency Management Agency (FEMA) requirements and timelines for the Hurricane Michael Disaster Recovery. As a consulting and professional management services vendor, Rostan Solutions, LLC has worked to achieve positive and measureable financial results for the City in regards to the FEMA's Public Assistance and Disaster Recovery Program (see Exhibit E: spreadsheet).

The previously approved and amended contractual agreement for professional services ended: November 30, 2020 for Hurricane Michael Disaster Recovery (4399DR-FL). There are grant/project management and administrative work still necessary and required documentation needing to get done for the Hurricane Michael Disaster Recovery. The following scope of work is expected to be provided:

Grant Management Tasks:

- Provide general grant management consulting.

- Assist in the development of a disaster recovery team.
- Assist in the development of a comprehensive recovery strategy.
- Provide advice to disaster recovery team as appropriate and participate in meetings.
- Prepare draft correspondence to State and FEMA as necessary.
- Facilitate the management of all submitted documentation, including Procurement Specifications for Restoration phase efforts and respond to all STATE/FEMA Requests for Information (RFI).
- Facilitate meetings with applicable agencies

Eligibility Tasks:

- Review eligibility issues.
- Work with CLIENT to develop justifications for work performed to remediate, restore, and mitigate.
- Assist CLIENT in developing approach to filing and tracking costs.
- Assist CLIENT with Cost Analysis and RFI's
- Review contracts and purchasing documentation.
- Review documentation prepared by CLIENT.
- Assist CLIENT with compiling costs and damages for presentation to FEMA and STATE.
- Assist CLIENT to prepare Project Worksheets (PW) documentation.
- Assist CLIENT with any disputes and appeal/arbitration issues

Engagement Task Deliverables:

- Work with STATE and FEMA representatives to facilitate the coordination of eligible damages for reimbursement for Emergency protective measures.
 - Prepare Status meetings, notes and action items
 - Recommendation Memos regarding FEMA Process and/or Policy (as needed)
 - Conduct Damage Assessments / Site Inspections as needed and provide Eligibility Determinations
 - Formulate the required Detailed Damage Dimensions (DDD) for projects
 - Develop the Essential Element of Information (EEI) for projects
 - Develop Project Scoping / Cost Estimating Format (CEF) and Perform Cost Validation in FEMA RS Means
 - Draft Project Worksheet(s) / supporting documentation, Emergency work categories.
 - Draft projects / grant applications for mitigation work / hazard vulnerability / resiliency improvements.
 - Support Services for estimating, Engineers, Environmental, Remediation, etc.
 - Support in required responses to appeals, audits, and state/federal RFIs.
- (See attached task order for Hurricane Michael)

Rostan Solutions, LLC
Invoices Disbursed/Paid History-to-Date for Hurricane Michael Disaster Recovery (ONLY)
4399DR-FL

Fiscal Year	Invoice Date	Performance Period	Actual Amount Expenditure	Approved Amount & Change Orders	Payment Status
2018-2019	11-13-2019	November 2018	\$0.00		Actual Paid
2018-2019	11-13-2019	December 2018	\$2,387.50		Actual Paid
2018-2019	11-13-2019	January 2019	\$4,443.75		Actual Paid
2018-2019	11-13-2019	February 2019	\$2,576.25		Actual Paid
2018-2019	11-13-2019	March 2019	\$14,256.25		Actual Paid
2018-2019	11-13-2019	March 2019	\$1,396.72		Actual Paid
2018-2019	08-05-2019	April 2019	\$4,278.75		Actual Paid
2018-2019	08-05-2019	May 2019	\$12,368.75		Actual Paid
2018-2019	12-03-2019	June 2019	\$4,338.75	\$50,000.00	Actual Paid
2018-2019	10-01-2019	July 2019	\$11,881.25		Actual Paid
2018-2019	10-01-2019	August 2019	\$1,087.50		Actual Paid
2018-2019	10-01-2019	July 2019	\$1,157.47		Actual Paid
2018-2019	11-03-2019	September 2019	\$1,713.26		Actual Paid
2019-2020	11-13-2019	October 2019	\$15,230.13		Actual Paid
2019-2020	12-03-2019	November 2019	\$20,525.00		Actual Paid
2019-2020	01-20-2020	December 2019	\$11,668.60	\$100,500.00	Actual Paid
2019-2020	03-17-2020	Jan./Feb. 2020	\$47,814.78		Actual Paid
2019-2020	04-20-2020	March 2020	\$19,685.92		Actual Paid
2019-2020	05-13-2020	April 2020	\$11,370.50		Actual Paid
2019-2020	06-10-2020	May 2020	\$9,943.50		Actual Paid
2019-2020	07-09-2020	June 2020	\$13,151.50	\$70,000.00	Actual Paid
2019-2020	08-05-2020	July 2020	\$6,493.50		Actual Paid
2019-2020	09-10-2020	August 2020	\$15,474.50	\$15,500.00	Actual Paid
2019-2020	10-07-2020	September 2020	\$5,142.75	\$10,000.00	Actual Paid
2020-2021	10-30-2020	October 2020	\$3,190.75	\$10,000.00	Actual Paid
2020-2021	12-10-2020	November 2020	\$5,991.50	\$10,000.00	Actual Paid
2020-2021	1-13-2021	December 2020	\$1,163.00		Pending
		Grand Total	\$248,732.13	\$266,000.00	
		Balance		\$17,267.87	

Sources: Rostan Solutions, LLC, City Commission Agenda and Minutes, and Finance Department, City of Quincy.

Rostan Solutions, LLC's costs (invoices in the amount of: \$248,732.13) are FEMA reimbursable under Category Z: Indirect and Direct Administrative Costs. Indirect costs are related to managing the Emergency Declaration. Direct administrative costs are related to managing the projects. Examples of indirect and direct administrative costs include, but are not limited to:

- Evaluation of hazard mitigation measures.

- Collection, copying, filing or submittal of documents to support the claims.
- Request of disbursement of Public Assistance grant funds.

These costs and documentation have been submitted to FEMA and the City is waiting on a FEMA determination.

Statement of Issues:

The agenda item seeks the Commission's approval of the contractual agreement (continuation) for professional services and amendments/task order from Rostan Solutions, LLC in the amount of **\$20,000.00** for Hurricanes Michael (4399DR-FL).

GL Number: 403-539-531-30343

City Commission Action Needed:

Options:

- Option 1: Vote to approve the Rostan Solutions, LLC (continuation) contractual agreement for professional services and amendments/task order for Hurricane Michael.
- Option 2: Vote to deny the Rostan Solutions, LLC contractual agreement for professional services and amendments/task order.
- Option 3: Provide directions to City Staff from Commission.

Staff Recommendation:

Option 1

Attachments:

- Exhibit A: Agreement for Professional Services/Contract for Task Order
- Exhibit B: Amendment/Task Order 1 – Hurricane Michael (4399DR-FL).
- Exhibit C: Return on Investment – Spreadsheet – FEMA's Public Assistance Fund received per project/amount/voucher number/date/federal reimbursement/state reimbursement – Hurricane Michael (4399DR-FL) to the City of Quincy, Florida

AGREEMENT FOR PROFESSIONAL SERVICES

Between the City of Quincy, FL and Rostan Solutions, LLC

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Task Order Contract

This is an Agreement for Professional Services (hereinafter referred to as the "**Agreement**") effective as of January 26th, 2021 between the City of Quincy, Florida ("**CLIENT**"), having its principal office at 404 West Jefferson Street Quincy, FL 32351 and Rostan Solutions, LLC ("**ROSTAN**"), a Florida limited liability company, having its principal place of business at 3433 Lithia Pinecrest Road, #287, Valrico, FL 33596. CLIENT and ROSTAN are hereinafter referred to individually as "**Party**" or collectively as "**Parties**."

The CLIENT recognizes that exigent circumstances resulting from multiple on-going emergencies necessitate that CLIENT temporarily forgo a formal procurement process in order to address event-specific needs that demand immediate aid, support, and action. These circumstances include the continued grant management and administration services of FEMA's Public Assistance ("PA") for Hurricane Michael [DR-4399-FL].

The CLIENT, having taken independent action to verify the reasonableness of the cost of professional services consulting support available during the current circumstances, requires the support of a qualified third party to assist with the limited scope of work necessary to address the exigent needs created by the circumstances until a formal procurement process may be undertaken.

WHEREAS, the CLIENT will issue Task Orders to ROSTAN describing the work required under this Agreement, containing a mutually-agreed upon "Not to Exceed" cost, unless otherwise provided herein, with all included work being directly related to those services originally sought by the CLIENT. In response, ROSTAN will prepare a scope of work and cost estimate which shall become part of the Task Order upon execution by both Parties.

NOW, THEREFORE, in consideration of the mutual promises herein, ROSTAN and the CLIENT agree that the terms and conditions of this Agreement are as follows:

DEFINITIONS:

"Fee Schedule" shall mean the schedule attached as **Attachment 2** to any applicable Task Order as well as the identical schedule attached as **Schedule B**.

"Projected Budget" shall mean the initial projected amount it will cost to complete the Project, with such amount being listed under Section 4 of the Task Order.

"Scope of Services" shall mean the services and terms described within any forms which are attached as **"Attachment 1"** to any applicable Task Order, along with any modifications or additions to the services provided by ROSTAN to CLIENT which are agreed upon by the Parties or otherwise contemplated in this Agreement.

"Site" or **"Work Site"** shall mean the location where ROSTAN is performing services for the Project on behalf of the CLIENT.

"Task Order" shall mean the form attached as **Schedule A**, and any later-created substantially similar form, which includes basic information related to the Project and services to be performed by ROSTAN as well as attachments related to the Scope of Services and Fee Schedule.

1. BASIC SERVICES

- 1.1. **Scope of Services.** ROSTAN shall provide the basic services as described in individual Task Orders authorized in writing by the CLIENT. By way of example, but not limitation, a sample Task Order form is provided in **Schedule A**. The Task Order format may be modified from time to time. ROSTAN's obligations under this Agreement are solely for the benefit of the CLIENT and no other party is intended to benefit or have rights hereunder. The Scope of Services are subject to modifications and/or additions and are thus subject to the terms of Section 6.1 herein.
- 1.2. **Standard of Care.** ROSTAN shall perform the professional services under this Agreement at the level customary for competent and prudent professionals performing such services at the time and place where the services are provided. These services will be provided by ROSTAN's recovery and mitigation professionals and other professionals and individuals skilled in other technical disciplines, as appropriate.
- 1.3. **Subcontractors.** ROSTAN shall be permitted to utilize subcontractors for performing services under any Task Order.

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- 1.4. **Transportation or Disposal of Hazardous Materials.** The CLIENT further agrees that, if this Agreement requires the containerization, transportation, or disposal of any hazardous or toxic wastes, materials or substances, ROSTAN is not, and has no authority to act as a generator, arranger, transporter, or disposer of any hazardous or toxic wastes, materials or substances that may be found or identified on, at, or around CLIENT's Site.

2. THE CLIENT's RESPONSIBILITIES

Unless stated otherwise in Section 7 or in individual Task Orders, the CLIENT shall do the following in a timely manner:

- 2.1. **The CLIENT's Representative.** The CLIENT will designate a representative having authority to give instructions, receive information, define the CLIENT's policies, and make decisions with respect to individual Task Orders. Such representative is listed in Section 1 of the Task Order.
- 2.2. **Project Criteria.** Provide criteria and information as to the CLIENT's requirements for a Task Order, including objectives and constraints, space, capacity, scope of work, task assignments, and performance requirements, and any budgetary limitations to the extent known by the CLIENT.
- 2.3. **Access.** Arrange for ROSTAN to access the Site as may be reasonably required to perform the Scope of Services. ROSTAN will be provided with suitable access to appropriate areas of the Site and shall be entitled to the use of such parking facilities and rest room facilities as may be authorized for its use. ROSTAN or its representatives may be on Site during the various stages of the work to observe the progress and quality of the work and to determine, in general, if the work is proceeding in accordance with the intent of the Agreement. Visits and observations made by ROSTAN will not relieve other contractors of their obligation to conduct comprehensive inspections of the work, to furnish materials, to perform acceptable work, and to provide adequate safety precautions.
- 2.4. **Review.** Promptly respond to ROSTAN's requests for decisions or determinations related to the Scope of Services.
- 2.5. **Meetings.** At ROSTAN's discretion and request, hold or arrange to hold meetings required to assist in communication regarding the work required by a Task Order.
- 2.6. **Project Developments.** Give prompt written notice to ROSTAN whenever the CLIENT observes or otherwise becomes aware of any material development that affects the Scope of Services, including, but not limited to the timing, price, and/or scope of ROSTAN's services. For purposes of this Section 2.6, "prompt written notice" shall mean within two (2) business days.

3. PERIODS OF SERVICE

- 3.1. **Time of Performance.** Section 3 of the Task Order anticipates the orderly and continuous progress of the Task Order through completion of the Scope of Services. However, the period of service is subject to change and is thus subject to the terms of Section 6.1 herein.
- 3.2. **Start of Performance.** ROSTAN will start the Scope of Services described in each Task Order upon authorization by the CLIENT. If the CLIENT gives authorization before signing a Task Order, ROSTAN shall be paid for the services provided outside the timeline of the relevant Task Orders. Any Task Order will only be valid if signed by the CLIENT's authorized representative and ROSTAN's authorized representative.
- 3.3. **Force Majeure.** If a force, event, or circumstance beyond ROSTAN's or the CLIENT'S control, including strikes, lock-outs, labor troubles, inability to procure materials, failure of power, restrictive governmental laws or regulations, approval delays by municipalities or governmental entities, riots, insurrection, war, military or usurped power, sabotage, terrorism, unusually severe weather, acts of God, fire, epidemic, pandemics, quarantine, or other casualty or other reason (but excluding financial inability) of a like nature which interrupts or delays ROSTAN's performance, then the time of performance shall be excused for the

Task Order Contract

period of the delay, and the period for the performance shall be extended for a period equivalent to the period of the delay.

- 3.4. **Term and Termination.** This Agreement shall be in effect for the limited period of time necessary to meet the emergency and/or exigent needs of the CLIENT before a procurement allowing for full and open competition can be legitimately conducted. The term of this Agreement shall not exceed 90 days, unless a written justification is produced and signed by both parties documenting the reasons for the extension. The CLIENT recognizes and acknowledges that eligibility for federal reimbursement of disaster-related costs will require demonstration of compliance with federal procurement regulations contained 2 CFR Part 200 [Uniform Administrative Requirements, Cost-Principles, and Audit Requirements for Federal Awards].

This Agreement may be terminated by either Party at will and without cause, at any time upon seven (7) days prior written notice to the other Party and shall remain in force until so terminated, however any outstanding Task Orders will not be affected by any such termination. All information and any materials provided to either Party must be returned to the other Party upon termination of the Agreement. Notwithstanding the foregoing, unless otherwise agreed by the Parties, the terms and conditions of this Agreement shall continue to apply to all outstanding Task Orders until the Scope of Services described thereunder are completed or the Task Order is terminated pursuant to the terms of the Task Order, if different than the terms of this Section 3.4, whichever is sooner.

4. COMPENSATION

- 4.1. **ROSTAN Services.** Based upon the Scope of Services provided for in each Task Order issued pursuant to the Agreement and any relevant agreed upon changes established after execution of said Task Order, along with the Fee Schedule, the CLIENT shall pay ROSTAN the amount stated in invoices issued for actual work performed and reimbursable expenses incurred during the period covered by the invoice, subject to the funding limits established in each Task Order and any changes agreed upon by the parties or otherwise contemplated in this Agreement. The CLIENT must raise any disputes regarding an invoice within thirty (30) calendar days of the date of such invoice ("Invoice Dispute Period"). Failure by CLIENT to raise any such dispute within the Invoice Dispute Period shall result in CLIENT waiving any and all claims, disputes, or other challenges associated with such invoice. In the event of a dispute as to any portion of an invoice within the Invoice Dispute Period, the undisputed portion shall be paid as provided in Section 4.1 herein. Invoices are payable by the CLIENT within thirty (30) calendar days after receipt of invoice by CLIENT.
- 4.2. **Late Payments/Interest Charges.** Accounts not paid within the terms of this Agreement are subject to a 1.5% monthly finance charge, or the highest rate allowable by law, at the discretion of Rostan and waivable in whole or in part by ROSTAN at its discretion.

5. NON-CONTROLLABLE COSTS

- 5.1. **Non-Controllable Costs.** ROSTAN has no control over the cost of labor, materials, equipment or services furnished by others, including, but not limited to, CLIENT'S contractors, and/or subcontractors. ROSTAN has no control over any other person or entity's methods of determining prices. Further, ROSTAN has no control over competitive bidding or market conditions. ROSTAN's opinion of probable cost is made on the basis of ROSTAN's experience and qualifications and represents ROSTAN's judgment as an experienced and qualified professional firm, familiar with the disaster recovery industry. ROSTAN does not guarantee that proposals, bids or actual project cost will not vary from ROSTAN's opinions of probable cost.

6. GENERAL CONSIDERATIONS

- 6.1. **Changes.** By written and/or electronic notice at any time, the CLIENT or ROSTAN may change services required by a Task Order, provided such changes are within the general scope of the services contemplated by this Agreement, and subject to validation under any applicable cost or price analysis required by federal, state, or local law. In such event, an equitable adjustment both in the compensation for and time of performance of the adjusted Task Order shall be made in writing prior to ROSTAN performing the changed services, unless otherwise provided herein. During the course of the Project, the Scope of Services may

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Between the City of Quincy, FL and Rostan Solutions, LLC

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be subject to changes in length and/or price dependent upon the nature of the Project and required materials, labor, and/or resources. Any changes requested by CLIENT or ROSTAN must be requested and approved by the CLIENT's or ROSTAN's authorized representative as the case may be.

- 6.2. **Access to Records.** The following access to records requirements apply to ROSTAN, which includes its successors, transferees, assignees, and subcontractors: (a) ROSTAN agrees to provide the CLIENT, the State of Florida, the FEMA Administrator, the Comptroller General of the United States, or any of their authorized representatives access to any documents, papers, and records which are directly pertinent to this Agreement for the purpose of making audits, examinations, excerpts, and transcriptions; (b) ROSTAN agrees to permit any of the foregoing parties to reproduce or to copy excerpts and transcriptions as reasonably needed; and (c) ROSTAN agrees to provide the FEMA Administrator or his authorized representatives access to construction or other work sites pertaining to the work being completed under this Agreement, as permitted by the CLIENT.
- 6.3. **Confidentiality and Proprietary Information.** In the course of providing services under this Agreement, CLIENT and ROSTAN may receive confidential and/or proprietary information and/or materials of the other Party. Each Party agrees to hold secret and confidential all information designated by the other Party as confidential ("Confidential Information"). Neither Party will reveal Confidential Information to a third party unless: (a) the non-disclosing Party consents in writing; (b) the information is or becomes part of the public domain; (c) applicable law, regulation, court order or an agency of competent jurisdiction requires its disclosure; or (d) failure to disclose the information would pose an imminent and substantial threat to human health or the environment. All drawings, specifications, and technical information furnished to CLIENT by ROSTAN or developed for CLIENT by ROSTAN in connection with the Scope of Services are, and will remain, the property the CLIENT.
- 6.3.1. **Dispute Resolution.** Prior to filing any cause of action, or legal proceeding, with the requisite court of law, the Parties agree that they will first be required to attend mediation. The Parties agree that the Party who initiates the dispute by this procedure shall provide to the non-initiating Party notice of the commenced proceedings and the names of three (3) proposed mediators, whereby the non-initiating Party shall within ten (10) days thereafter select one (1) mediator of the proposed mediators to conduct the mediation. Any controversies or disputes arising out of or relating to this Agreement will be submitted to mediation in accordance with any statutory rules of mediation. Both Parties agree that they will send a representative with full settlement authority to the mediation. The cost of the in-person mediation shall be split amongst the Parties but shall not include travel costs of either Party associated with attending the in-person mediation and/or the expenses of each Party's own legal counsel. Notwithstanding the foregoing, the pre-suit mediation requirement will be waived and not required at the discretion of ROSTAN and/or in the event ROSTAN brings an action against the client for unpaid invoices or other unpaid fees.
- 6.3.2. **Governing Law.** This Agreement shall be governed and construed in accordance with the laws of the State of Florida.
- 6.3.3. **Compliance with Dispute Resolution.** In the event that either Party fails to comply with the Dispute Resolution procedure set forth in Section 6.3.1 of this Agreement, and files a cause of action or legal proceeding prior to a required mediation taking place (except in the case where ROSTAN waives such mediation), the filing Party agrees to pay the non-filing Party's reasonable attorneys' fees and all costs and expenses incurred with respect to defending such improperly filed cause of action or legal proceeding.
- 6.4. **Remedies.** Nothing in this Agreement otherwise prevents the either Party from utilizing any available remedies, administrative, contractual, or legal, where either Party has been found to have violated or breached the terms of this Agreement, subject to the Limitation of Liability provision below.

6.5. Mutual Indemnification.

6.5.1. ROSTAN hereby agrees to indemnify and hold the CLIENT harmless from and against any and all losses, damages, settlements, costs, charges, or other expenses or liabilities of every kind and character arising out of or relating to any and all claims, liens, demands, obligations, actions, proceedings, or causes of action of every kind and character which specifically and directly arise from the gross negligence or willful misconduct of Rostan in the performance of its obligations under this Agreement.

6.5.2. The CLIENT hereby agrees to indemnify and hold ROSTAN harmless from and against any and all losses, damages, settlements, costs, charges, or other expenses or liabilities of every kind and character arising out of or relating to any and all third party claims, liens, demands, obligations, actions, proceedings, or causes of action of every kind and character which specifically and directly arise from the gross negligence or willful misconduct of CLIENT as related to the services which CLIENT has engaged ROSTAN for under this Agreement or for any injuries suffered by an employee or contractor of CLIENT who is performing work for CLIENT.

6.6. **Limitation of Liability.** Notwithstanding any other provision of this Agreement and to the fullest extent permitted by law the Parties agree that neither the CLIENT nor ROSTAN shall be liable to each other for any special, indirect or consequential damages, whether caused or alleged to be caused by negligence, strict liability, breach of contract or warranty under this Agreement. Except for amounts for which indemnification is given by ROSTAN hereunder which shall be capped to the extent of ROSTAN's insurance coverage, in no event will ROSTAN's liability to the CLIENT, whether in contract, tort or any other theory of liability, exceed the fees which ROSTAN has been paid for services from which the liability arises. Further, ROSTAN will not be responsible for other contractors' means, methods, techniques, sequences or procedures of the work, or the safety precautions, including compliance with applicable programs incident thereto. ROSTAN will not be responsible for other contractors' or subcontractors' failure to perform the work in accordance with their applicable contract with the CLIENT or any other agreement. ROSTAN will not be responsible for the acts or omissions of contractors or subcontractors, or any of their agents or employees or any other persons or entities at the Site or otherwise performing any of the work.

6.7. **Interpretation.** This Agreement shall be interpreted in accordance with the laws of the State of Florida.

6.8. **Successors.** This Agreement is binding on the successors and assigns of the CLIENT and ROSTAN. The Agreement may not be assigned in whole or in part to any third parties without the written consent of the non-assigning Party.

6.9. **Independent Contractor.** ROSTAN represents that it is an independent contractor and is not an employee of the CLIENT.

6.10. **Notices.** Written notices may be delivered in person or by certified mail, or by facsimile, or by courier or by email. All notices shall be effective upon the date of receipt by the Party.

6.11. **Entire Agreement.** This Agreement, including Schedules, Attachments, and Task Orders (including references to other agreements contained in the Task Order), which are executed pursuant to this Agreement, is the entire agreement between the CLIENT and ROSTAN. Any prior or contemporaneous agreements, promises, negotiations or representations not expressly stated herein are of no force and effect. Any changes to this Agreement shall be in writing and signed by the CLIENT and ROSTAN, unless otherwise provided in this Agreement.

6.12. **Waivers and Severability.** A waiver or breach of any term, condition, or covenant by a Party shall not constitute a waiver or breach of any other term, condition or covenant. If any court of competent jurisdiction declares a provision of this Agreement invalid, illegal, or otherwise unenforceable, the remaining provisions of the Agreement shall remain in full force and effect.

6.13. **Effective Date.** This Agreement is effective on the date shown on the cover page.

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Between the City of Quincy, FL and Rostan Solutions, LLC

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7. SCHEDULES.

7.1 **Schedules.** The following **Schedules**, as well as any future applicable Task Orders, are attached hereto and made a part of this Agreement:

7.1.1 **Schedule A:** *Sample Task Order*

(a) *Attachment 1: Scope of Services*

(b) *Attachment 2: Fee Schedule*

7.1.2 **Schedule B:** *Fee Schedule*

7.1.3 **Schedule C:** *Required Clauses – Contract Provisions for Non-Federal Entity Contracts Under Federal Awards Under 2 CFR Part 200*

7.1.4 **Schedule D:** *Certification Regarding Lobbying*

7.2 **Required Contract Provisions for Non-Federal Entity Contracts Under Federal Awards.** In addition to the terms and conditions expressed within this Agreement, the Code of Federal Regulation ("CFR") Part 200.326 requires that contracts made by non-Federal entities under a Federal award must contain certain provisions and/or clauses, as applicable, to the contract. These clauses are identified in 2 CFR Part 200 Appendix II, and by their inclusion within Schedule C "*Required Clauses – Contract Provisions for Non-Federal Entity Contracts Under Federal Awards Under 2 CFR Part 200*", are incorporated into the terms of this Agreement, as applicable, and any Task Orders issued.

8.0 **Execution Authority.** This Agreement is a valid and authorized undertaking of the CLIENT and ROSTAN. The representatives of the CLIENT and ROSTAN who have signed below have been authorized to do so.

IN WITNESS WHEREOF, the Parties hereto have made and executed this Agreement as of the day and year shown on the cover page.

CITY OF QUINCY, FL

ROSTAN SOLUTIONS, LLC

By: _____

By: _____

Name: Jack L. McLean Jr.

Name: Kyle Jones

Title: City Manager, City of Quincy

Title: Vice President

Date: _____

Date: _____

Task Order Contract

SAMPLE

SAMPLE

Schedule A

PROFESSIONAL SERVICES TASK ORDER

Task Order Number: _____

Task Order Date: _____

Subject to the Agreement between **CLIENT** and **ROSTAN**, effective _____, _____, 2020 the **CLIENT** hereby authorizes **ROSTAN** to perform services as specified in this Task Order and in accordance with the above-mentioned Agreement.

1. Basic Project Information.

Project Name: **SAMPLE**

Project Location: _____

CLIENT Representative: _____

ROSTAN Representative: _____

2. Scope of Services: ROSTAN shall perform its services as described in Attachment 1, Scope of Services, attached and incorporated into this Task Order.

3. Period of Service: The period of service shall be _____, 2020 through _____, 20__.

4. Compensation: ROSTAN's compensation under this Task Order, which shall not be exceeded without prior written authorization of the **CLIENT**, is \$_____.

5. Fee Schedule: This Task Order's Fee Schedule is incorporated and provided as Attachment 2.

6. Amendment: [_____] This Task Order amends a previously executed Task Order No. _____, Dated _____.

ISSUED AND AUTHORIZED BY:
CITY OF QUINCY, FL

By: _____

Name: Jack L. McLean Jr.

Title: City Manager, City of Quincy, FL

ACCEPTED AND AGREED TO BY:
ROSTAN SOLUTIONS, LLC

By: _____

Name: _____

Title: _____

Task Order Contract

SAMPLE

SAMPLE

PROFESSIONAL SERVICES TASK ORDER

Task Order Number: _____

Attachment 1
Scope of Services

PROFESSIONAL SERVICES TASK ORDER

Task Order Number: _____

Attachment 2
Fee Schedule

Schedule B
Fee Schedule

1.) Grant Management and Administration Pricing.

PROGRAM:	
Principal/Program Manager	\$185.00
Senior Program Specialist	\$175.00
Project Manager	\$160.00
Senior Consultant	\$150.00
Consultant	\$125.00
Junior Consultant	\$105.00
Administrative Support	\$85.00

2.) Expenses and Travel. Rates are inclusive of all costs with the exception to those expenses related to federal per diem for meals and incidentals, allowable mileage and/or rental vehicles, rental vehicle petroleum products, airfare, and lodging. Expenses will comply with General Services Administration (GSA) Federal Travel Regulation (FTR) and Travel/Per Diem Bulletins and be directly passed through without markup. Receipts will be provided.

Schedule C

Required Clauses – Contract Provisions for Non-Federal Entity Contracts Under Federal Awards Under 2 CFR Part 200

Throughout the performance of any work under this Agreement, ROSTAN (hereinafter "CONTRACTOR") agrees to abide by the following clauses and requirements:

1. **Equal Employment Opportunity.** During the performance of this Agreement, the CONTRACTOR agrees as follows:
 - a. CONTRACTOR will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. CONTRACTOR will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex, or national origin. Such action shall include, but not be limited to the following: Employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. CONTRACTOR agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.
 - b. CONTRACTOR will, in all solicitations or advertisements for employees placed by or on behalf of the CONTRACTOR, state that all qualified applicants will receive considerations for employment without regard to race, color, religion, sex, or national origin.
 - c. CONTRACTOR will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice to be provided advising the said labor union or workers' representatives of CONTRACTOR's commitments under this section and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
 - d. CONTRACTOR will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.
 - e. CONTRACTOR will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the administering agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.
 - f. In the event of CONTRACTOR's noncompliance with the nondiscrimination clauses of this contract or with any of the said rules, regulations, or orders, this Agreement may be canceled, terminated, or suspended in whole or in part and the CONTRACTOR may be declared ineligible for further Government contracts or federally assisted construction contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions as may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.
 - g. The CONTRACTOR will include the portion of the sentence immediately preceding paragraph (a) and the provisions of paragraphs (a) through (g) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The CONTRACTOR will take such action with respect to any subcontract or purchase order as the administering agency may direct as a means of enforcing such provisions, including sanctions for noncompliance: Provided, however, That in the event that CONTRACTOR becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the administering agency the CONTRACTOR may request the United States to enter into such litigation to protect the interests of the United States.
2. **Compliance with the Davis-Bacon Act and the Copeland "Anti-Kickback" Act.** As required by Federal program legislation:
 - a. CONTRACTOR agrees that it shall comply with the *Davis-Bacon Act* (40 USC 3141-3144 and 3146-3148) as supplemented by the Department of Labor regulations (29 CFR Part 5, "Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction").
 - i. In accordance with the statute, CONTRACTOR is required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the

Task Order Contract

Secretary of Labor. In addition, CONTRACTOR shall pay wages not less than once a week. CONTRACTOR agrees that, for any Task Order to which this requirement applies, the Contract is conditioned upon CONTRACTOR's acceptance of the wage determination.

- b. CONTRACTOR agrees that it shall comply with the *Copeland "Anti-Kickback" Act (40 USC 3145)*, as supplemented by the Department of Labor regulations (29 CFR Part 3, "CONTRACTORS and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States") and are incorporated by reference into this Agreement.

i. Contractor. The CONTRACTOR shall comply with 18 U.S.C. § 874, 40 U.S.C. § 3145, and the requirements of 29 C.F.R. pt. 3 as may be applicable, which are incorporated by reference into this Agreement.

ii. Subcontracts. The CONTRACTOR or subcontractor shall insert in any subcontracts the clause above and such other clauses as the FEMA may by appropriate instructions require, and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for the compliance by any subcontractor or lower tier subcontractor with all of these contract clauses.

iii. Breach. A breach of the contract clauses above may be grounds for termination of the contract, and for debarment as a CONTRACTOR and subcontractor as provided in 29 C.F.R. § 5.12.

3. **Compliance with the Contract Work Hours and Safety Standards Act.**

a. Overtime requirements. The CONTRACTOR or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall not require nor permit any such laborer or mechanic in any workweek in which he or she is employed on such work to work in excess of forty hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of forty hours in such workweek.

b. Violation; liability for unpaid wages; liquidated damages. In the event of any violation of the clause set forth in paragraph (1) of this section the CONTRACTOR and any subcontractor responsible therefor shall be liable for the unpaid wages. In addition, the CONTRACTOR and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the clause set forth in paragraph (a) of this section, in the sum of \$10 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of forty hours without payment of the overtime wages required by the clause set forth in paragraph (a) of this section.

c. Withholding for unpaid wages and liquidated damages. The CLIENT shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld, from any moneys payable on account of work performed by the CONTRACTOR or subcontractor under any such contract or any other Federal contract with the same prime contractor, or any other federally-assisted contract subject to the *Contract Work Hours and Safety Standards Act*, which is held by the same prime contractor, such sums as may be determined to be necessary to satisfy any liabilities of such CONTRACTOR or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in paragraph (b) of this section.

d. Subcontracts. The CONTRACTOR or subcontractor shall insert in any subcontracts the clauses set forth in paragraph (a) through (d) of this section and a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime CONTRACTOR shall be responsible for compliance by any subcontractor or lower tier subcontractor with the clauses set forth in paragraphs (a) through (d) of this section.

4. **Rights to Inventions Made Under a Contract or Agreement**. As required by Federal program legislation, CONTRACTOR agrees to comply with the requirements of 37 C.F.R. Part 401 (Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements), and any implementing regulations issued by FEMA.

5. **Clean Air Act and Federal Water Pollution Control Act**. As required by Federal program legislation: CONTRACTOR agrees to comply with the following federal requirements:

a. Clean Air Act.

i. The CONTRACTOR agrees to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act, as amended, 42 U.S.C. (2)

ii. The CONTRACTOR agrees to report each violation to the CLIENT] and understands and agrees that the CLIENT will, in turn, report each violation as required to assure notification to the State of