



**CITY OF DAHLONEGA**  
**City Council Special Called Meeting Agenda**  
September 19, 2022, 4:00 PM  
Gary McCullough Chambers, Dahlonega City Hall

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In compliance with the Americans with Disabilities Act, those requiring accommodation for Council meetings should notify the City Clerk's Office at least 24 hours prior to the meeting at 706-864-6133.

Vision - To be an open, honest, and responsive city, balancing preservation, and growth, and delivering quality services fairly and equitably by being good stewards of Dahlonega's resources.

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**CALL TO ORDER AND WELCOME**

**APPROVAL OF AGENDA**

**NEW BUSINESS**

- [1.](#) Resolution 2022-15 and Intergovernmental Agreement for use and distribution of proceeds generated by the 2023 transportation special purpose local option sales tax referendum

Doug Parks, City Attorney

**ADJOURNMENT**



# Ordinances and Resolutions

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**DATE:** 9/13/2022  
**TITLE:** Resolution 2022-15 and Intergovernmental Agreement for use and distribution of proceeds generated by the 2023 transportation special purpose local option sales tax referendum  
**PRESENTED BY:** Doug Parks, City Attorney

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**AGENDA ITEM DESCRIPTION:**

This Resolution 2022-15 and Intergovernmental Agreement between Lumpkin County and the City of Dahlonega will allow for the use and distribution of proceeds generated by the 2023 transportation special purpose local option sales tax.

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**HISTORY/PAST ACTION:**

None.

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**FINANCIAL IMPACT:**

The City of Dahlonega is eligible to receive distributions of the 1.0% TSPLOST proceeds, therefore the County and the City intend for the distribution of funds to go to the transportation projects, which are the subject of the IGA. Said projects will benefit the residents of both Lumpkin County and the City of Dahlonega.

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**RECOMMENDATION:**

Recommendation to approve.

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**SUGGESTED MOTIONS:**

Motion to approve.

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**ATTACHMENTS:**

Resolution 2022-15

Intergovernmental Agreement

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**RESOLUTION 2022-15**

**A RESOLUTION TO ADOPT A CERTAIN INTERGOVERNMENTAL AGREEMENT FOR USE AND DISTRIBUTION OF PROCEEDS GENERATED BY THE 2023 TRANSPORTATION SPECIAL PURPOSE LOCAL OPTION SALES TAX REFERENDUM.**

**WHEREAS**, the City Council of the City of Dahlonega finds it necessary to adopt that certain Intergovernmental Agreement For Use And Distribution Of Proceeds Generated By The 2023 Transportation Special Purpose Local Option Sales Tax Referendum(“IGA”) that allows for funding to be provided for multiple transportation projects selected by the City and the County; and

**WHEREAS**, the IGA is by and between Lumpkin County and the City of Dahlonega and has an effective date of September \_\_\_\_, 2022.

**NOW, THEREFORE, BE IT RESOLVED**, by the Mayor and Council of Dahlonega, Georgia, that said governing authority does hereby adopt the IGA referenced herein and made a part of this Resolution; and

**BE IT FURTHER RESOLVED**, that copies of this Resolution will be kept in the Office of the City Clerk in City Hall and be made available for inspection by any member of the public.

ADOPTED this \_\_\_\_ day of \_\_\_\_\_, 2022.

**CITY OF DAHLONEGA, GEORGIA**

By: \_\_\_\_\_  
JoAnne Taylor, Mayor

Attest:

\_\_\_\_\_  
Mary Csukas, City Clerk

STATE OF GEORGIA     )  
COUNTY OF LUMPKIN   )     INTERGOVERNMENTAL AGREEMENT

**INTERGOVERNMENTAL AGREEMENT FOR USE AND DISTRIBUTION OF  
PROCEEDS GENERATED BY THE 2023 TRANSPORTATION SPECIAL  
PURPOSE LOCAL OPTION SALES TAX REFERENDUM**

**THIS INTERGOVERNMENTAL AGREEMENT** ("IGA" or "Agreement") is made and entered into this \_\_\_\_ of September, 2022 by and between **LUMPKIN COUNTY, GEORGIA**, a political subdivision of the State of Georgia (hereinafter referred to as "**Lumpkin County**" or "**County**"), and the **CITY OF DAHLONEGA**, (hereinafter referred to as the "**City**"), the sole municipal corporation of the State of Georgia with the County.

**WITNESSETH:**

**WHEREAS**, the parties to this Agreement consist of Lumpkin County and the City of Dahlonega; and

**WHEREAS**, Section 48-8-260, *et seq.* of Official Code of Georgia Annotated ("**O.C.G.A.**") (the "**Act**") authorizes the imposition of a single county one percent (1.0%) sales and use Transportation Special Purpose Local Option Sales tax (the "**TSPLOST**" or "**Tax**") for capital outlay projects in the special districts created pursuant to O.C.G.A. § 48-8-261(a) which correspond with the geographical boundaries of the counties of the State of Georgia; and

**WHEREAS**, O.C.G.A. § 48-8-261(b) authorizes the imposition of the TSPLOST to be used solely for transportation purposes, and O.C.G.A. § 48-8-262 authorizes the distribution of proceeds from the TSPLOST to the county governing authority and any qualified municipalities in accordance with an intergovernmental agreement entered into for such purpose; and

**WHEREAS**, the parties anticipate that Lumpkin County will approve and sign a Resolution authorizing the Board of Elections and Registration of Lumpkin County to call a Referendum on the issue of the imposition of a single county one percent (1.0%) sales and use TSPLOST to begin on April 1, 2023 and to conclude on March 31, 2028; and

**WHEREAS**, the parties desire to execute an Intergovernmental Agreement to control the distribution and use of TSPLOST proceeds received solely by Lumpkin County and the City of Dahlonega; and

**WHEREAS**, Article IX, Section III, Paragraph I of the Constitution of the State provides that, in pertinent part, any county, municipality or other political subdivision of the State may contract for any period not exceeding fifty years with each other or with any public agency, public corporation, or public authority for joint services, for the provision of services, or for the joint or separate use of facilities or equipment, for such activities, services or facilities which the county, municipality or public authority is authorized by law to undertake or provide; and

**WHEREAS**, in accordance with the Act, the parties anticipate that the Board of Commissioners of Lumpkin County, Georgia will approve and sign a Resolution (the "**Resolution**"), to impose, levy and collect a TSPLOST within the County conditioned upon the approval by a majority of the qualified voters residing within the County voting in a referendum thereon to be held on November 8, 2022, and said resolution shall be delivered to the Board of Elections of Lumpkin County, as election superintendent for the County, who shall issue a call for the referendum as described in said resolution; and

**WHEREAS**, the County and the City anticipate the issuance of general obligation debt may be necessary to fund some or all of the transportation projects, if approved by the voters; and

**WHEREAS**, for the purpose of the distribution of proceeds for the April 1, 2023 through March 31, 2028 TSPLOST, the Special District shall be known as the boundaries of Lumpkin County; and

**WHEREAS**, the City of Dahlonega is a qualified municipality and is eligible to receive distributions of the one percent (1.0%) TSPLOST Proceeds; and

**WHEREAS**, the parties hereto are interested in serving the needs of the residents of Lumpkin County by planning and performing transportation projects within the County and the City; and

**WHEREAS**, the parties intend that the transportation projects which are the subject of this Agreement shall benefit residents of Lumpkin County and the City; and

**WHEREAS**, the County and the City are committed to continue to work together to improve the County and City's transportation infrastructure; and

**WHEREAS**, the County and the City have identified transportation needs that are important to the current and future well-being of their residents and have determined that proceeds from the TSPLOST should be used to address a portion of these needs.

**NOW THEREFORE**, for and in consideration of the foregoing and in consideration of the mutual promises and understandings herein made and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto do consent and agree as follows:

## **SECTION 1. EFFECTIVE DATE AND TERM OF THE TAX**

This Intergovernmental Agreement is conditioned upon a Referendum to be approved by a majority of the voters of Lumpkin County to impose a one percent (1.0%) TSPLOST, which shall commence on April 1, 2023, and continue to, through and including March 31, 2028.

## **SECTION 2. ADMINISTRATION EXPENSES**

Pursuant to O.C.G.A. § 48-8-267, one percent (1.0%) of the amount of TSPLOST proceeds collected beginning April 1, 2023, shall be paid into the General Fund of the State of Georgia ("State") treasury in order to defray the costs of administration of the Georgia Department of Revenue. The remaining ninety-nine percent (99%) of the amount collected from the TSPLOST

Tax proceeds (hereinafter known as the "net proceeds") beginning April 1, 2023 and ending March 31, 2028, shall be distributed by the State of Georgia to the County, and shall be allocated to each jurisdiction based on the percentages shown in the table below in Section 3.

### **SECTION 3. DISTRIBUTION OF NET PROCEEDS**

#### DISTRIBUTION PERCENTAGES

LUMPKIN COUNTY	81.00%
CITY OF DAHLONEGA	19.00%
<b>TOTAL</b>	<b>100.00%</b>

- (A) To facilitate the distribution of net proceeds, the parties agree that the sum of Twenty Million and 00/100 Dollars (\$20,000,000.00) shall represent an estimate of the maximum net proceeds to be derived from the subject TSPLOST during its five year term.
- (B) The parties agree that the aggregate total distribution received by the City shall amount to nineteen percent (19.0%) of the net proceeds distributed by the State, with the remaining eighty-one percent (81.0%) of the net proceeds distributed by the State to be received by the County.
- (C) The County and the City anticipate the issuance of general obligation debt of the County (the "Debt") for the purpose of funding (a) a portion of the County projects, (b) the joint County and City project (the "Joint Project") described on Exhibit A, (c) capitalized interest on the Debt and (d) the costs of issuing the Debt. The parties agree that their TSPLOST proceeds shall be applied to their pro-rata share of the Debt as more fully provided below. The cost of the Joint Project will be shared by the City and the County on the same pro-rata basis that they are sharing TSPLOST proceeds. The scope and budget of the Joint Project shall be subject to the approval of the parties hereto.

### **SECTION 4. DEFINITION OF AUTHORIZED TRANSPORTATION PURPOSES**

In recognition of the need for transportation improvements across the County and the City, the parties agree that the total net proceeds shall be utilized for transportation purposes, as defined in O.C.G.A. § 48-8-260 and § 48-8-121.

### **SECTION 5. PROJECTS**

- (A) The projects and purposes ("Transportation Projects and Purposes") to be funded from the net proceeds of the TSPLOST pursuant to this Agreement and the estimated dollar amounts allocated for each transportation purpose are contained in Exhibit "A" which is attached hereto and incorporated herein by this reference and made a part of this agreement. The parties acknowledge and agree that 30% of the estimate revenues are being expended on projects that are consistent with the Statewide Strategic Transportation Plan as defined in O.C.G.A. § 32-2-22.

- (B) All Transportation Projects included in this Agreement shall be funded in whole or in part from net proceeds from the TSPLOST authorized by law except as otherwise agreed in writing by the parties.
- (C) No part of the net proceeds from the tax received in any year shall be used for such other purposes until all debt service requirements of the general obligation debt for that year have first been satisfied from the account in which the proceeds of the tax are placed. Notwithstanding the foregoing, the City's share of the TSPLOST proceeds shall only be applied to pay the City's pro-rata share of the debt service on the Debt, and the County's share of the TSPLOST proceeds shall only be applied to pay the County's pro-rata share of the debt service on the Debt.

**SECTION 6. EFFECTIVE DATE AND TERM OF THIS AGREEMENT**

- (A) This Agreement shall become effective on the date of its execution by all parties. If the November 8, 2022 Referendum concerning the imposition of the TSPLOST is not approved by a majority of the voters of Lumpkin County, this Agreement shall expire and shall be of no force and effect after November 8, 2022.
- (B) Except as otherwise provided herein, the TSPLOST which is the subject of the November 8, 2022 Referendum shall continue for a period of five years from April 1, 2023, until March 31, 2028 unless otherwise terminated earlier pursuant to applicable Georgia law.

**SECTION 7. EXPENSES**

The County shall administer the TSPLOST Fund to effectuate the terms of this Agreement and shall be responsible for the cost of holding the TSPLOST election. The County shall be reimbursed for the costs of the election from the County's pro-rata share of the proceeds deposited in the County's TSPLOST Fund.

**SECTION 8. THE DEBT.**

The ballot shall contain the language required by the Act for the authorization of the Debt. The County shall issue the Debt for the Joint Project. The County may, but shall not be required, to issue the Debt for the County Projects. Upon request by the City, the County will provide the City the estimated issuance costs and estimated debt service regarding the Debt.

Each party benefiting from the issuance of Debt is referred to herein as a "Borrowing Entity." Each Borrowing Entity acknowledges that it is responsible for the payment of its pro-rata share of (i) the debt service on the Debt, (ii) the costs of issuance and (iii) arbitrage rebate. If the City is a Borrowing Entity, it authorizes the County to apply its share of the TSPLOST proceeds to pay its pro-rata share of the debt service on the Debt.

The Debt shall be paid first from a Borrowing Entity's share of the TSPLOST proceeds. In the event that there are insufficient TSPLOST proceeds to pay the Debt, each Borrowing Entity shall pay its share of any shortfall (the "Debt Service Payments") from its general fund. Each Borrowing Entity covenants that, in order to make the Debt Service Payments

when due from its general fund to the extent required, it will exercise its power of taxation to the extent necessary to timely pay any amounts required to be paid hereunder, and it will make available and use for such payments all taxes levied and collected for that purpose together with funds received from any other source. Each Borrowing Entity further covenants and agrees that in order to make funds available for such purpose, it will, in its general revenue, appropriation, and budgetary measures whereby its tax funds or revenues and the allocation thereof are controlled or provided for, include sums sufficient to timely satisfy such Debt Service Payments that may be required to be made from the general fund, whether or not any other sums are included in such measure, until all payments so required to be made shall have been made in full. The obligation of the Borrowing Entity to make any payments that may be required to be made from its general fund shall constitute a general obligation of the Borrowing Entity and a pledge of the full faith and credit of the Borrowing Entity.

In the event for any reason any such provision or appropriation is not made as provided in the preceding paragraph, then the fiscal officers of the Borrowing Entity are hereby authorized and directed to set up as an appropriation on the accounts in the appropriate fiscal year the amounts required to timely pay the obligations which may be due from the general fund. The amount of such appropriation shall be due and payable and shall be expended for the purpose of paying any such obligations, and such appropriation shall have the same legal status as if the Borrowing Entity had included the amount of the appropriation in its general revenue, appropriation, and budgetary measures, and the fiscal officers of the Borrowing Entity shall immediately make such Debt Service Payments to the paying agent for the Debt if for any reason the payment of such obligations shall not otherwise have been timely made.

The obligations of the Borrowing Entity to make the Debt Service Payments and to perform and observe the other agreements on its part contained herein shall be absolute and unconditional. Until such time as the principal of and interest on the Debt shall have been paid in full or provision for the payment thereof shall have been made, the Borrowing Entity (a) will not suspend or discontinue any payments provided for herein, (b) will perform and observe all of its other agreements contained in this Agreement, and (c) will not terminate this Agreement for any cause, including, without limiting the generality of the foregoing, failure to complete any project, a defect in any project or any failure of the other party to perform and observe any agreement, whether express or implied, or any duty, liability or obligation arising out of or connected with this Agreement.

The County shall be responsible for all aspects of the Debt issuance process. The County will select the underwriter, bond counsel, etc. (collectively, the "Debt Professionals"). When Debt is issued for the Joint Project, the County will keep the City informed of the progression of the Debt issuance. The City shall cooperate with the Debt issuance process.

If the Debt only funds the Joint Project, excess Debt proceeds shall be applied to debt service. If the Debt funds the Joint Project and a County Project, (a) 81% of the excess Debt proceeds allocable to the Joint Project shall be returned to the County and 19% shall be returned to the City and (b) all of the excess Debt proceeds allocable to a County Project shall be returned to the County.



**SECTION 9. COUNTY TSPLOST FUND; SEPARATE ACCOUNTS; NO COMMINGLING**

The net proceeds from the TSPLOST shall be maintained in the parties' separate accounts and utilized exclusively for the purposes specified in this Agreement. The parties acknowledge that TSPLOST proceeds are not guaranteed. Proceeds received under the amount estimated in the Referendum question shall be allocated in accordance with the percentages set forth in this Agreement and shall be used on the Transportation Projects and Purposes as outlined in Exhibit A to this Agreement.

- (A) A special fund or account shall be created by the County and designated as the 2023 Lumpkin County Transportation Special Purpose Local Option Sales Tax Fund ("TSPLOST Fund"). The County shall select a local bank which shall act as a depository and custodian of the TSPLOST Fund upon such terms and conditions as may be acceptable to the County.
- (B) The City shall create a special fund to be designated as the 2023 Transportation Special Purpose Local Option Sales Tax Fund ("TSPLOST Fund"). The City shall select a local bank which shall act as a depository and custodian of the TSPLOST proceeds received by the City upon such terms and conditions as may be acceptable to the City.
- (C) All TSPLOST proceeds shall be maintained by the County and the City in the separate accounts or funds established pursuant to this Section. Except as provided in Section 14, TSPLOST proceeds shall not be commingled with other funds of the County or the City and shall be used exclusively for the purposes detailed in this Agreement. No funds other than TSPLOST proceeds shall be placed in such funds or accounts.

**SECTION 10. ALLOCATION OF EXCESS FUNDS**

Any net proceeds over and above the amount estimated in Section 3(A) of this Agreement during the quarter during which this amount is reached shall be allocated in accordance with the percentages set forth in this Agreement and shall be used solely for the transportation purposes listed herein. Each party shall expend its portion of the excess net proceeds from the 2023 TSPLOST Program on the Transportation Projects and Purposes as outlined in Exhibit A to this Agreement.

**SECTION 11. AUDITS**

At the end of each party's fiscal year wherein net proceeds from the TSPLOST are distributed, each party shall cause an audit of the distribution and use of its portion of the net proceeds from the TSPLOST to be completed. Each party to this Agreement shall pay the cost of each such annual audit that it conducts. Each party shall publish each of its annual audits as required by law.

**SECTION 12. COMPLETION OF PROJECTS**

Any TSPLOST proceeds held by a County or City at the end of the five year period shall, for the purposes of this Agreement, be deemed excess funds and disposed of as provided under O.C.G.A. § 48-8-269.5.

### **SECTION 13. PUBLICATION OF PROJECTS**

Pursuant to O.C.G.A. § 48-8-269.6, not later than December 31 of each year, the County and the City, shall publish annually, in a newspaper of general circulation in the boundaries of the County and the City and in a prominent location on the City's and the County's website, a simple, nontechnical report which shows for each purpose in the resolution calling for the imposition of the tax the original estimated cost, the current estimated cost if it is not the original estimated cost, amounts expended in prior years, and amounts expended in the current year. The report shall also include a statement of what corrective action the county or qualified municipality intends to implement with respect to each purpose which is underfunded or behind schedule and a statement of any surplus funds which have not been expended for a purpose.

### **SECTION 14. PROCEDURE FOR DISBURSEMENT OF TSPLOST PROCEEDS**

- (A) Upon receipt by the County of TSPLOST proceeds collected by the State Department of Revenue, the County shall immediately deposit said proceeds in the TSPLOST Fund. Within the TSPLOST Fund, the County shall create or cause to be created three subaccounts: the "Debt Service Account," the "County Account" and the "City Account." TSPLOST proceeds that will be used to pay debt service on the Debt shall be deposited into the Debt Service Account; TSPLOST proceeds that will be used to fund County projects not funded with Debt shall be deposited into the County Account; and TSPLOST Proceeds that will be used to fund City projects shall be deposited into the City Account. Amounts on deposit in the City Account shall be disbursed by the County to the City once each month within 10 days of the County's receipt thereof. Each disbursement shall be made by check unless the City provides written wire transfer instructions to the County and pays all costs associated with such wire transfer. The City shall create and maintain a separate account for the receipt and disbursement of the TSPLOST proceeds in accordance with Section 8 of this Agreement.
  
- (B) If Debt is issued, the County shall establish a 12 month period as the "Sinking Fund Year" for the Debt. Within each Sinking Fund Year, the TSPLOST proceeds of each Borrowing Entity shall be deposited into the Debt Service Account until there is an amount therein sufficient to pay that Borrowing Entity's pro-rata share of the debt service coming due on the Debt for such Sinking Fund Year. After a Borrowing Entity has funded its pro-rata share of the debt service coming due on the Debt for the Sinking Fund Year, the remaining TSPLOST proceeds of that Borrowing Entity shall be deposited into the County Account or the City Account, as appropriate.
  
- (C) Should the City cease to exist as a legal entity before all funds are distributed under this Agreement, the City's share of the funds subsequent to dissolution shall be paid to the County as part of the County's share unless an act of the Georgia General Assembly makes the defunct City part of another successor municipality. If such an act is passed, the defunct City's share shall be paid to the successor Municipality in addition to all other funds to which the successor Municipality would otherwise be entitled.

### **SECTION 15. ENTIRE AGREEMENT**

This Agreement, including any attachments or exhibits, constitutes all of the understanding and agreements of whatsoever nature or kind existing between the Parties with respect to distribution and use of the proceeds from the TSPLOST.

**SECTION 16. AMENDMENTS**

This Agreement shall not be amended or modified except by agreement in writing executed by all Parties hereto.

**SECTION 17. GOVERNING LAW**

This Agreement shall be deemed to have been made and shall be construed and interpreted in accordance with the laws of the State of Georgia.

**SECTION 18. SEVERABILITY**

It is agreed that the illegality or invalidity of any term or clause of this Agreement shall not affect the validity of the remainder of the Agreement, and the Agreement shall remain in full force and effect as if such illegal or invalid term or clause were not contained herein.

**SECTION 19. COMPLIANCE WITH THE LAW**

Each party to this Agreement shall comply with all applicable local, State, and Federal statutes, ordinances, rules and regulations.

**SECTION 20. NO CONSENT TO BREACH**

No consent or waiver, express or implied, by any party to this Agreement to any breach of any covenant, condition or duty of another party shall be construed as a consent to or waiver of any future breach of the same.

**SECTION 21. NOTICES**

All notices, consents, waivers, directions, requests, or other instruments or communications provided for under this Agreement shall be deemed properly given if, and only if, delivered personally or sent by registered or certified United States mail, postage prepaid, as follows:

**SECTION 22. COUNTERPARTS**

This Agreement shall be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

**SECTION 23. MEDIATION**

The County and the City agree to submit any controversy arising under this Agreement to mediation for a resolution. The parties to the mediation shall mutually select a neutral party to serve as mediator. Costs of mediation shall be shared equally among the parties to the mediation.

[EXECUTION ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the County and the City, acting through their duly authorized agents, have caused this Agreement to be signed, sealed and delivered for final execution by the County on the date indicated herein.

AS TO LUMPKIN COUNTY:

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Chris Dockery, Chairman  
Lumpkin County Board of Commissioners

Attest:

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Melissa Z. Witcher  
Clerk, Lumpkin County

AS TO THE CITY OF DAHLONEGA:

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JoAnne Taylor, Mayor  
City of Dahlonega

Attest:

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Mary Csukas  
Dahlonega City Clerk

**EXHIBIT "A"**

**2023 LUMPKIN COUNTY TSPLOST PROJECT LIST  
2023 TSPLOST REVENUE ESTIMATE - \$20,000,000**

	County/Municipality	Cost Estimate
<b>Joint – Lumpkin County &amp; City of Dahlonega</b>		
Auraria Road/Dawsonville Highway/Torrington Drive Intersection Improvements	Lumpkin County and City of Dahlonega	\$5,000,000
<b>Lumpkin County</b>		
Roads and Bridges – Paving, Striping, Maintenance, Construction & Improvements	Lumpkin County	
Road Maintenance Equipment	Lumpkin County	
<b>TOTAL FUNDS TO LUMPKIN COUNTY</b>		\$12,150,000
<b>City of Dahlonega</b>		
Roads and Bridges Construction & Improvements	City of Dahlonega	
Sidewalks Construction & Improvements	City of Dahlonega	
Bicycle Paths Construction & Improvements	City of Dahlonega	
<b>TOTAL FUNDS TO CITY OF DAHLONEGA</b>		\$2,850,000
<b>PROGRAM TOTAL</b>		\$20,000,000