



**Brunswick-Glynn County Joint Water and Sewer Commission  
1703 Gloucester Street, Brunswick, GA 31520  
Wednesday, November 29, 2017 at 4:00 PM  
Commission Meeting Room**

**SPECIAL CALLED  
COMMISSION MEETING AGENDA**

**Call to Order**

**Invocation**

**Pledge**

**PUBLIC COMMENT PERIOD**

*Public Comments will be limited to 3 minutes per speaker. Comments are to be limited to relevant information regarding your position and should avoid being repetitious. Individuals should sign in stating your name, address and the subject matter on which you wish to speak. Your cooperation in this process will be greatly appreciated.*

**APPROVAL:**

- 1. Refunding 2010C Revenue Bond Issue – J. Donaghy / Courtney Rogers, Davenport & Company LLC**

**Meeting Adjourned**

*All citizens are invited to attend  
There is a possibility of a quorum of City or County Commissioners being present*



**Brunswick-Glynn County Joint Water and Sewer Commission  
1703 Gloucester Street, Brunswick, GA 31520  
Wednesday, November 29, 2017 at 4:00 PM**

**COMMISSION MINUTES  
SPECIAL CALLED  
MEETING**

**PRESENT:**

**Donald M. Elliott, Chairman  
Clifford Adams, Commissioner  
Michael Browning, Commissioner  
Cornell L. Harvey, Commissioner  
Steve Copeland, Commissioner  
Dave H. Ford, Commissioner  
Robert Bowen, Commissioner**

**ALSO PRESENT:**

**Jimmy Junkin, Executive Director  
Andrew Burroughs, Deputy Executive Director  
Charlie Dorminy, Legal Counsel HBS  
John D. Donaghy, Director of Finance  
Todd Kline, Director of Engineering  
Pam Crosby, Director of Procurement  
Jay Sellers, Director of Administration**

Chairman Elliott called the meeting to order at 4:03 PM.

**PUBLIC COMMENT PERIOD**

Chairman Elliott opened the public comment period. There being no citizens for public comment, Chairman Elliott closed the public comment period.

**APPROVAL**

**1. Refunding 2010C Revenue Bond Issue – J. Donaghy / Courtney Rogers, Davenport & Company**

John Donaghy advised that the refunding of the Series 2010C Bonds has been discussed. He added that over the past couple of week, staff along with Davenport & Company, Gray & Pannell, and Charlie Dorminy have put out a RFP for bid proposal, done an evaluation on those proposals and made a recommendation to move forward with this. He then introduced Courtney Rogers from Davenport & Company along with John Pannell from Grey and Pannell Bond Counsel. Mr. Rogers reminded the Commission on the background of the Bill that had been passed on and pending approval by Congress which would eliminate any savings from refunding after December 31, 2017. Mr. Rogers then continued to discuss the RFP for the refinancing of the bonds and the proposals that were received and the recommendation to approve the selection of Sterling National Bank to refinance the Commission's 2010C Series Revenue Bonds. He presented the savings that will occur with the refinancing, and the results if the refinancing did not occur. The total outstanding debt would be reduced by \$1.1M and the total interest would decrease by \$6.4M. Mr. Rogers noted that the Special Called meeting was necessary due to the

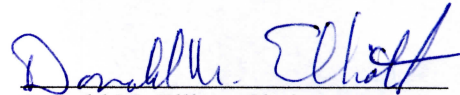
immediate need to take action were the Commission to decide to approve the recommendation to refinance the Series 2010C Bonds.

Commissioner Browning made a motion seconded by Commissioner Copeland to move that the JWSC approve the selection of Sterling National Bank to refinance the Commission's Series 2010 C Revenue Bonds, that the Second Supplemental Bond Resolution be approved and that the Chairman and Executive Director be authorized to execute the required documents. Motion carried 7-0-0.

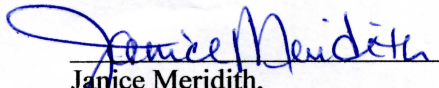
**EXECUTIVE SESSION**

No Executive Session.

Chairman Elliott adjourned the open meeting at 4:25 pm.

  
Donald M. Elliott, Chairman

Attest:

  
Janice Meredith,  
Executive Commission Administrator



**To:** JWSC Commissioners  
**From:** John D. Donaghy, Director of Finance  
**Cc:** Jimmy Junkin, Executive Director  
**Date:** November 29, 2017  
**Re:** Second Supplemental Bond Resolution

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**Background:**

The JWSC, staff, Davenport & Company (Financial Advisors) and Gray, Pannell & Woodard, LLP (Bond Counsel) have determined that there are significant saving to be realized by refunding the outstanding 2010C Series Revenue Bonds.

A competitive refunding proposal was issued and the responses reviewed by staff and Davenport & Company.

Gray, Pannell & Woodard, LLP have prepared the attached Second Supplementary Resolution.

**Recommendation:**

Staff recommends that the JWSC approve the selection of Sterling National Bank to refinance the Commission's Series 2010C Revenue Bonds, that the Second Supplemental Bond Resolution be approved and that the Chairman and Executive Director be authorized to execute the required documents.

**Motion:**

**“Staff recommends that the JWSC approve the selection of Sterling National Bank to refinance the Commission’s Series 2010C Revenue Bonds, that the Second Supplemental Bond Resolution be approved and that the Chairman and Executive Director be authorized to execute the required documents.”**

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BRUNSWICK-GLYNN COUNTY  
WATER AND SEWER COMMISSION

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SECOND SUPPLEMENTAL  
BOND RESOLUTION

ADOPTED NOVEMBER 29, 2017

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PROVIDING FOR THE ISSUANCE OF  
BRUNSWICK-GLYNN COUNTY WATER AND SEWER COMMISSION  
REFUNDING REVENUE BOND, SERIES 2017,  
IN THE PRINCIPAL AMOUNT OF \$36,364,000

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## SECOND SUPPLEMENTAL RESOLUTION

This Second Supplemental Resolution of the Brunswick-Glynn County Water and Sewer Commission (the “**Commission**” or the “**Issuer**”) is adopted this November 29, 2017, for the purpose of supplementing a Bond Resolution adopted by the Commission on June 17, 2010 (the “**Master Resolution**”), as supplemented and amended by the First Supplemental Resolution adopted by the Commission on June 24, 2010 (the “**First Supplemental Resolution**”), which Master Resolution, as supplemented and amended, provided, *inter alia*, for the issuance of the BRUNSWICK-GLYNN COUNTY JOINT WATER AND SEWER COMMISSION REVENUE BONDS, SERIES 2010C. Capitalized terms used herein and not otherwise defined shall have the meanings given such terms in the Master Resolution, as supplemented and amended.

WHEREAS, the Commission has heretofore issued its BRUNSWICK-GLYNN COUNTY JOINT WATER AND SEWER COMMISSION REVENUE BONDS, SERIES 2010C (the “**Series 2010C Bonds**”), in the original aggregate principal amount of \$50,125,000, dated June 30, 2010; and

WHEREAS, the Series 2010C Bonds were issued to provide funds needed to pay the cost, *inter alia*, of (i) currently refunding outstanding revenue bonds of the Commission, (ii) acquiring the water and sewer systems of the City of Brunswick and Glynn County, (iii) constructing additions and improvements to the acquired and unified water and sewer system (collectively, the “**System**”), and (iv) paying expenses incurred in connection with the issuance of the Series 2010C Bonds; and

WHEREAS, the Series 2010C Bonds are currently outstanding in the aggregate principal amount of \$37,515,000, and the Series 2010C Bonds maturing on and after June 1, 2021 are subject to optional redemption beginning June 1, 2020; and

WHEREAS, Davenport & Company LLC, as financial advisor to the Commission (the “**Financial Advisor**”) has solicited proposals on behalf of the Commission to advance refund all of the outstanding Series 2010C Bonds in order to create debt service cost savings for the Commission, and has negotiated the placement of a BRUNSWICK-GLYNN COUNTY WATER AND SEWER COMMISSION REFUNDING REVENUE BOND, SERIES 2017 (the “**Series 2017 Bond**”) with Sterling National Bank (the “**Bank**”), in accordance with the provisions of this Second Supplemental Resolution; and

WHEREAS, in order to refund and defease the Series 2010C Bonds, it is necessary for the Commission to enter into an escrow deposit agreement and authorize an escrow agent to purchase certain Government Obligations, the principal of and interest on which shall be sufficient in amount, together with other available money, to pay and defease the Series 2010C Bonds; and

WHEREAS, it is necessary that the Commission supplement and amend the Resolution by the adoption of this Second Supplemental Resolution to accomplish the foregoing.



NOW, THEREFORE, BE IT RESOLVED by the Brunswick-Glynn County Water and Sewer Commission, in public meeting lawfully called and assembled, and it is hereby resolved by authority of the same that:

**Section 1. Authorization, Description, and Terms of Series 2017 Bond; Redemption Provisions.**

(a) The Series 2017 Bond shall be issued as a single instrument, fully registered bond in the principal amount of \$36,364,000 and shall bear interest from its date of issuance through June 1, 2035, at the rate of **2.904%** per annum, based on a 360-day year of twelve 30-day months, payable semi-annually on June 1 and December 1 in each year, beginning June 1, 2018 (each an “**Interest Payment Date**”), and shall be payable on each June 1 in the principal installments as follows, as provided in the form of the Series 2017 Bond attached hereto as Exhibit A:

<u>Year</u>	<u>Principal Installment</u>	<u>Year</u>	<u>Principal Installment</u>
2019	\$1,980,000	2028	2,035,000
2020	2,528,000	2029	2,091,000
2021	2,031,000	2030	2,154,000
2022	2,087,000	2031	2,215,000
2023	2,145,000	2032	2,278,000
2024	1,811,000	2033	2,347,000
2025	1,868,000	2034	2,412,000
2026	1,921,000	2035	2,486,000
2027	1,975,000		

The Series 2017 Bond as originally issued shall be lettered and numbered R-1 and shall be dated as of its date of issuance and delivery. The Series 2017 Bond will not be issued in book entry form or be assigned a CUSIP number.

(b) On or after June 1, 2022, the Series 2017 Bond may be redeemed in whole or in part on any Interest Payment Date prior to its maturity, at the option of the Issuer, at a redemption price equal to 101% of the principal amount to be redeemed plus accrued interest to the redemption date. On or after June 1, 2027, the Series 2017 Bond may be redeemed in whole or in part on any Interest Payment Date prior to its maturity, at the option of the Issuer, at a redemption price equal to 100% of the principal amount to be redeemed plus accrued interest to the redemption date. Notice of optional redemption shall be given by the Issuer to the Bond Registrar and Paying Agent and the Bondholder at least 30 days prior to the date fixed for redemption. Partial redemption of the Series 2017 Bond (i) must be in a principal amount of not less than \$1,000,000 on any Interest Payment Date, and (ii) may occur only once each calendar year.

(c) The Series 2017 Bond shall, except as provided in this Section, bear interest from the Interest Payment Date next preceding the date of authentication of the Series 2017 Bond to which interest on the Series 2017 Bond has been paid, unless (i) such date of authentication is an Interest Payment Date to which interest has been paid, in which case from such Interest Payment Date, (ii) such date of authentication of the Series 2017 Bond is after the Record Date with

respect to an Interest Payment Date and prior to such Interest Payment Date, in which case from such Interest Payment Date, or (iii) no interest has been paid on the Series 2017 Bond, in which case from its date of issuance and delivery.

The person in whose name the Series 2017 Bond is registered at the close of business on any Record Date with respect to any Interest Payment Date shall be entitled to receive the interest payable on such Interest Payment Date notwithstanding any registration of transfer or exchange subsequent to such Record Date and prior to such Interest Payment Date. The term “**Record Date**” as used in this Section with respect to any Interest Payment Date shall mean the fifteenth day of the calendar month next preceding such Interest Payment Date; provided, however, that if and to the extent a default shall occur in the payment of interest due on such Interest Payment Date, such past due interest shall be paid to the persons in whose name the Series 2017 Bond is registered on a subsequent date of record established by notice given by mail by the Bond Registrar to the registered owner of the Series 2017 Bond not less than thirty days preceding such subsequent date of record.

(d) The principal of and interest and redemption premium, if any, on the Series 2017 Bond shall be payable in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts. The principal and interest on the Series 2017 Bond shall be paid by check or draft mailed by the Paying Agent by first class mail to the Bondholder at the address as appears on the bond register kept by the Bond Registrar (or by wire transfer at a wire transfer address which the Bondholder has provided to the Paying Agent not less than five days prior to an Interest Payment Date, which wire instructions shall remain in effect until the Paying Agent is notified to the contrary).

**Section 2. Form of Series 2017 Bond.** The Series 2017 Bond and the certificate of validation and certificate of authentication to be endorsed thereon will be in substantially the form set forth in Exhibit A attached hereto and made a part hereof.

**Section 3. Refunded Bonds.** All of the Series 2010C Bonds maturing on June 1 in the years 2018 through 2035 (collectively, the “**Refunded Bonds**”) shall be deemed paid and defeased on the date of issuance of the Series 2017 Bond through provision for their payment from proceeds of the Series 2017 Bond and other available funds, including money in the Debt Service Reserve Account for the Series 2010C Bonds, to be deposited with U.S Bank National Association, as escrow agent (the “**Escrow Agent**”) pursuant to an escrow deposit agreement (the “**Escrow Deposit Agreement**”) to be entered into between the Issuer and the Escrow Agent.

**Section 4. Designation of Paying Agent, etc. and Funds Depository.** U.S. Bank National Association, Atlanta, Georgia, is hereby designated as Paying Agent, Bond Registrar and Authenticating Agent for the Series 2017 Bond. U.S. Bank National Association, Atlanta, Georgia is hereby redesignated as Sinking Fund Custodian and Renewal and Extension Fund Custodian established pursuant to the Master Resolution.

**Section 5. Application of Proceeds of the Series 2017 Bond.** The proceeds from the sale of the Series 2017 Bond, together with the other available funds of the Issuer, shall be applied as follows:



(a) for deposit with the Escrow Agent amounts sufficient to purchase the Government Obligations described in the Escrow Deposit Agreement, to be deposited to the Escrow Fund created thereunder, which deposit shall be sufficient to defease and refund the Refunded Bonds; and

(b) the balance of the proceeds of the Series 2017 Bond shall be deposited with U.S. Bank National Association, Atlanta, Georgia into the Costs of Issuance Account and used to pay Costs of Issuance of the Series 2017 Bond.

**Section 6. Costs of Issuance Account.** In accordance with Section 402 of the Master Resolution, a special account is hereby authorized to be established with U.S. Bank National Association, Atlanta, Georgia, contemporaneously with the issuance and delivery of the Series 2017 Bond, said account to be designated the BRUNSWICK-GLYNN COUNTY WATER AND SEWER COMMISSION COSTS OF ISSUANCE ACCOUNT, SERIES 2017 (the “**Costs of Issuance Account**”), to be held separate and apart from all other deposits or funds of the Issuer.

**Section 7. Registration of Series 2017 Bond.** Series 2017 Bond shall be issued as a single-instrument, fully-registered bond registered in the name of Sterling National Bank as Bondholder, as described in the form of the Series 2017 Bond, attached hereto as Exhibit A.

**Section 8. No Debt Service Reserve Requirement.** There is no Debt Service Reserve Requirement for the Series 2017 Bond and no deposits will be made to the Debt Service Reserve Account for the Series 2017 Bond. There is no Composite Reserve Requirement for the Series 2017 Bond and no deposits will be made to the Composite Reserve Account within the Debt Service Reserve Account.

**Section 9. Exemption from Disclosure Requirement.** The Issuer covenants that the initial and continuing disclosure requirements of Securities and Exchange Commission Rule 15c2-12(b)(5) do not apply to the Series 2017 Bond because the issuance of the Series 2017 Bond to the purchaser thereof complies with the exemption contained in § 15c2-12(d)(1)(i) of said rule.

**Section 10. General Authorization.** The proper officers and agents of the Issuer are hereby authorized, empowered, and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Master Resolution and this Second Supplemental Resolution, including execution and delivery of the Escrow Deposit Agreement, and are further authorized to take any and all further actions and execute and deliver any and all other documents as may be necessary in the issuance of the Series 2017 Bond. All actions heretofore taken and all documents heretofore executed in connection with the issuance of the Series 2017 Bond are ratified and approved.

**Section 11. Definitions; Reaffirmation of Master Resolution.**

(a) Except as set forth herein, all capitalized terms shall have the meanings set forth in the Master Resolution, as supplemented and amended. In addition, the following definitions from the Master Resolution are hereby amended as follows:

“**Bonds**” means the outstanding Series 2017 Bond, and from and after the issuance of any Parity Bonds, unless the context clearly indicates otherwise, such Parity Bonds.

“**Parity Bonds**” means any water and sewer revenue bonds of the Issuer which may be issued hereafter on a parity with the Series 2017 Bond in accordance with the terms of this Resolution.

(b) The provisions of Section 8 of the First Supplemental Resolution providing for the Financial Guaranty Insurance Policy with Assured Guaranty Municipal Corp. insuring the payment of the Series 2010C Bonds will not apply to the Series 2017 Bond or any Parity Bonds.

(c) Except as supplemented by the provisions of this Second Supplemental Resolution, the Master Resolution and the First Supplemental Resolution are hereby reaffirmed and shall continue in full force and effect, and the terms and provisions shall be applicable to the Series 2017 Bond.

**APPROVED AND ADOPTED** this November 29, 2017.

BRUNSWICK-GLYNN COUNTY  
WATER AND SEWER COMMISSION

By: \_\_\_\_\_  
Chairman

Exhibit A

[FORM OF SERIES 2017 BOND]

THIS SERIES 2017 BOND AND THE INSTRUMENTS HEREINAFTER DESCRIBED ARE SUBJECT TO A PURCHASE LETTER AND MAY NOT BE SOLD, TRANSFERRED, ASSIGNED, OR OTHERWISE DISPOSED OF EXCEPT PURSUANT TO THE TERMS OF SUCH PURCHASE LETTER AND THE TERMS OF THIS SERIES 2017 BOND.

*This Series 2017 Bond shall not be sold or transferred if such sale or transfer would void the exemption, contained in U.S. Securities and Exchange Commission Rule 15c2-12(d)(1)(i), from the disclosure requirements of Securities and Exchange Commission Rule 15c2-12(b)(5) or any similar rules or statutes in effect at the time of such sale or transfer.*

No. R-1

UNITED STATES OF AMERICA  
STATE OF GEORGIA

BRUNSWICK-GLYNN COUNTY  
WATER AND SEWER COMMISSION  
REFUNDING REVENUE BOND, SERIES 2017

Maturity Date: June 1, 2035  
Principal Amount: \$36,364,000  
Interest Rate: 2.904%  
Bond Date: [Date of Issuance]  
Registered Owner: Sterling National Bank

The Brunswick-Glynn County Water and Sewer Commission, a body corporate and politic and a public corporation of the State of Georgia (the "Issuer"), in Glynn County, for value received hereby promises to pay or cause to be paid to the registered owner named above, or registered assigns, the principal amount specified above, except to the extent previously paid, in installments as set forth in Schedule 1 attached hereto, solely from the special fund provided therefor as hereinafter set forth, in lawful money of the United States of America, and to pay to the registered owner hereof solely from said special fund, by check or draft mailed by first class mail to such registered owner at his address as it shall appear on the bond register kept by U.S. Bank National Association, as Paying Agent and Bond Registrar (or by wire transfer to the registered owner of this Bond at a wire transfer address which said registered owner has provided to the Bond Registrar and Paying Agent not less than five days prior to an Interest Payment Date (hereinafter defined), which wire instructions shall remain in effect until the Bond Registrar and Paying Agent is notified to the contrary), interest on such principal sum, at the interest rate per annum specified above (calculated on the basis of a 360-day year of twelve 30-day months), payable on June 1, 2018 and semi-annually thereafter on the first day of June and the first day of December of each year, from the Bond Date specified above or from the most

recent Interest Payment Date to which interest has been paid until payment is made of such principal sum in full, payable in installments as set forth on Schedule 1 attached hereto.

The Interest so payable on any such June 1 or December 1 (each an “Interest Payment Date”) will be paid to the person in whose name this Bond is registered at the close of business on the fifteenth day of the calendar month preceding such Interest Payment Date; provided, however, that if and to the extent a default shall occur in the payment of interest due on said Interest Payment Date, such past due interest shall be paid to the person in whose name this Bond is registered on a subsequent date of record established by notice given by mail by the Paying Agent to the registered owner of this Bond not less than thirty days preceding such subsequent date of record. Both the principal of and interest on this Bond are payable in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts.

This Bond is the duly authorized Bond designated BRUNSWICK-GLYNN COUNTY WATER AND SEWER COMMISSION REFUNDING REVENUE BOND, SERIES 2017, issued in the principal amount of \$36,364,000 (this “Bond”) to provide funds needed to pay the cost, *inter alia*, of advance refunding in full the Issuer’s REVENUE BONDS, SERIES 2010C, and paying expenses incurred in connection with the issuance of this Bond. This Bond is issued pursuant to authority of and in accordance with the provisions of the Constitution of the State of Georgia, the Revenue Bond Law of Georgia, codified in O.C.G.A. § 36-82-60, *et seq.*, the general laws of the State of Georgia, and the laws of the State of Georgia relating to the Issuer, and was duly authorized by a Master Resolution adopted by the governing body of the Issuer on June 17, 2010, as supplemented and amended by the First Supplemental Resolution adopted by the Commission on June 24, 2010, and as supplemented and amended by the Second Supplemental Resolution adopted on November 29, 2017 (collectively, the “Bond Resolution”).

On or after June 1, 2022, this Bond may be redeemed in whole or in part on any Interest Payment Date prior to its maturity, at the option of the Issuer, at a redemption price equal to 101% of the principal amount to be redeemed plus accrued interest to the redemption date. On or after June 1, 2027, this Bond may be redeemed in whole or in part on any Interest Payment Date prior to its maturity, at the option of the Issuer, at a redemption price equal to 100% of the principal amount to be redeemed plus accrued interest to the redemption date. Notice of optional redemption shall be given by the Issuer to the Bond Registrar and Paying Agent and the registered owner at least 30 days prior to the date fixed for redemption. Partial redemption of this Bond (i) must be in a principal amount of not less than \$1,000,000 on any Interest Payment Date, and (ii) may occur only once each calendar year.

This Bond is secured by, and shall have equal rank with respect to, a first and prior pledge of and lien on the Net Revenues (as such term is defined in the Bond Resolution) of the water and sewer system of the Issuer (the “System”), including all future additions thereto.

The Issuer may, under certain conditions as provided in the Bond Resolution, issue additional water and sewer revenue bonds (“Parity Bonds”) which, if issued in accordance with such provisions, will rank *pari passu* with this Bond with respect to the pledge of and the charge or lien on the revenue pledged to the payment thereof.

Reference to the Bond Resolution is hereby made for a complete description of the funds charged with and pledged to the payment of the principal of and interest on this Bond, a complete description of the nature and extent of the security provided for the payment of this Bond, a statement of the rights, duties and obligations of the Issuer, the rights of the owners of this Bond, and the terms and conditions under which Parity Bonds may be issued, to all the provisions of which the owner hereof, by the acceptance of this Bond, assents.

The Bond Resolution provides, *inter alia*, for prescribing, establishing and revising rates and collecting fees, tolls and charges for the services, facilities and commodities furnished by the System as the same now exists and as it may be hereafter extended, improved and equipped, sufficient in amount to provide funds to pay into a special fund (the "Sinking Fund"), an amount sufficient, together with the investment income thereon, if any, to pay the principal of and the interest on this Bond and any Parity Bonds hereafter issued pursuant to the provisions of the Bond Resolution, as such principal and interest shall become due and be payable, and to create and maintain a reserve for that purpose. The Sinking Fund, by the provisions of the Bond Resolution, is pledged to and charged with the payment of the principal of this Bond and the interest thereon.

There is no Debt Service Reserve Requirement for this Bond and no deposits will be made to the Debt Service Reserve Account (as such terms are defined in the Bond Resolution).

The pledge of and charge or lien on the Net Revenues of the System securing the payment of this Bond is a first and prior pledge of and charge or lien on such revenues.

This Bond does not constitute a debt of the Issuer within the meaning of any constitutional or statutory limitation or provision nor a pledge of the faith and credit of the Issuer nor shall the Issuer be subject to any pecuniary liability thereon. This Bond shall not be payable from nor a charge upon any funds other than the funds pledged to the payment thereof and are payable solely from the funds provided therefor including the Net Revenues to be derived from the operation of the System of the Issuer. No owner of this Bond shall ever have the right to enforce payment thereof against any property of the Issuer nor shall this Bond or any interest payment thereon constitute a charge, lien or encumbrance, legal or equitable, upon any property of the Issuer other than said funds and Net Revenues. The Issuer has no taxing power.

The person in whose name this Bond is registered shall be deemed and regarded as the absolute owner hereof for all purposes, and payment of or on account of either principal or interest made to such registered owner shall be valid and effectual to satisfy and discharge the liability upon this Bond to the extent of the sum or sums so paid. This Bond is registrable as transferred by the owner hereof in person or by his attorney duly authorized in writing at the principal corporate trust office of the Bond Registrar, all subject to the terms and conditions of the Bond Resolution.

[Insert any additional transfer language for the registered owner here]

To the extent and in the manner permitted by the Bond Resolution, modifications or alterations of the provisions thereof or of any supplement thereto or of the Bonds may be made without necessity for notation hereon or reference thereto.

This Bond shall not be entitled to any benefit under the Bond Resolution or be valid or become obligatory for any purpose until this Bond shall have been authenticated by the execution by the Authentication Agent of the certificate of authentication hereon.

This Bond is issued with the intent that the laws of the State of Georgia shall govern its construction, and, in case of default, the owner hereof shall be entitled to the remedies provided by the Bond Resolution and by all applicable laws.

It is hereby recited and certified that all acts, conditions and things required to exist, happen or be performed precedent to and in the issuance of this Bond do exist, have happened and have been performed in due and legal time, form and manner as required by law and that provision has been made for the allocation of the revenue and receipts to be derived from the ownership and operation of the System in amounts sufficient to pay the principal of and interest on this Bond and any Parity Bonds as the same shall mature and become due and that said funds are irrevocably allocated and pledged to the payment of this Bond and any Parity Bonds and the interest thereon.

IN WITNESS WHEREOF, the Brunswick-Glynn County Water and Sewer Commission has caused this Bond to be executed by the manual or facsimile signature of its Chairman and its corporate seal to be hereunto reproduced and attested by the manual or facsimile signature of its Executive Director, as of the day first above written.

BRUNSWICK-GLYNN COUNTY  
WATER AND SEWER COMMISSION

(S E A L)

By: \_\_\_\_\_ (FORM)  
Chairman

Attest: \_\_\_\_\_ (FORM)  
Executive Director

CERTIFICATE OF AUTHENTICATION

This Bond is the BRUNSWICK-GLYNN COUNTY WATER AND SEWER COMMISSION REFUNDING REVENUE BOND, SERIES 2017, described in the within-mentioned Bond Resolution.

Date of Authentication: December \_\_\_\_, 2017

U.S. BANK NATIONAL ASSOCIATION,  
Authentication Agent

By: \_\_\_\_\_ (FORM)  
Authorized Signatory

\* \* \* \* \*

STATE OF GEORGIA        )  
                                  )        VALIDATION CERTIFICATE  
GLYNN COUNTY            )

I, the undersigned Clerk of Superior Court of Glynn County, State of Georgia, keeper of the records and seal thereof, hereby certify that this Bond was validated and confirmed by judgment of the Superior Court of Glynn County, Georgia, on December \_\_\_\_, 2017.

IN WITNESS WHEREOF, I have hereunto set my hand or caused my official signature and the seal of the Superior Court of Glynn County, Georgia, to be reproduced hereon in facsimile.

\_\_\_\_\_  
(FORM)  
Clerk of Superior Court  
Glynn County, Georgia



ASSIGNMENT

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

\_\_\_\_\_  
Social Security Number or  
Other Identifying Number of Assignee:

\_\_\_\_\_  
Please print or type name and address  
(including postal zip code) of Assignee:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

the within bond and all rights thereunder, and hereby irrevocably constitutes and appoints  
\_\_\_\_\_ as Agent to transfer the within bond on the  
books kept for registration thereof, with full power of substitution in the premises.

\_\_\_\_\_  
(FORM)  
Assignor

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

Date: \_\_\_\_\_, 20\_\_

Signature Guaranteed:

\_\_\_\_\_  
(FORM)

NOTICE: Signature(s) must be guaranteed by a member firm of the STAMP, SEMP, or MSP signature guarantee medallion programs.

Schedule 1 to Series 2017 Bond

PAYMENT SCHEDULE  
(Interest Rate = 2.904%)

Date	Principal	Interest	Semi-Annual Debt Service	Annual Debt Service
06-01-2018		\$ 451,737.85	\$ 451,737.85	\$ 451,737.85
12-01-2018		528,005.28	528,005.28	
06-01-2019	\$ 1,980,000	528,005.28	2,508,005.28	3,036,010.56
12-01-2019		499,255.68	499,255.68	
06-01-2020	2,528,000	499,255.68	3,027,255.68	3,526,511.36
12-01-2020		462,549.12	462,549.12	
06-01-2021	2,031,000	462,549.12	2,493,549.12	2,956,098.24
12-01-2021		433,059.00	433,059.00	
06-01-2022	2,087,000	433,059.00	2,520,059.00	2,953,118.00
12-01-2022		402,755.76	402,755.76	
06-01-2023	2,145,000	402,755.76	2,547,755.76	2,950,511.52
12-01-2023		371,610.36	371,610.36	
06-01-2024	1,811,000	371,610.36	2,182,610.36	2,554,220.72
12-01-2024		345,314.64	345,314.64	
06-01-2025	1,868,000	345,314.64	2,213,314.64	2,558,629.28
12-01-2025		318,191.28	318,191.28	
06-01-2026	1,921,000	318,191.28	2,239,191.28	2,557,382.56
12-01-2026		290,298.36	290,298.36	
06-01-2027	1,975,000	290,298.36	2,265,298.36	2,555,596.72
12-01-2027		261,621.36	261,621.36	
06-01-2028	2,035,000	261,621.36	2,296,621.36	2,558,242.72
12-01-2028		232,073.16	232,073.16	
06-01-2029	2,091,000	232,073.16	2,323,073.16	2,555,146.32
12-01-2029		201,711.84	201,711.84	
06-01-2030	2,154,000	201,711.84	2,355,711.84	2,557,423.68
12-01-2030		170,435.76	170,435.76	
06-01-2031	2,215,000	170,435.76	2,385,435.76	2,555,871.52
12-01-2031		138,273.96	138,273.96	
06-01-2032	2,278,000	138,273.96	2,416,273.96	2,554,547.92
12-01-2032		105,197.40	105,197.40	
06-01-2033	2,347,000	105,197.40	2,452,197.40	2,557,394.80
12-01-2033		71,118.96	71,118.96	
06-01-2034	2,412,000	71,118.96	2,483,118.96	2,554,237.92
12-01-2034		36,096.72	36,096.72	
06-01-2035	2,486,000	36,096.72	2,522,096.72	2,558,193.44
	\$36,364,000	\$10,186,875.13	\$46,550,875.13	\$46,550,875.13

EXECUTIVE DIRECTOR'S CERTIFICATE

I, the undersigned Executive Director of the Brunswick-Glynn County Water and Sewer Commission (the "Commission"), keeper of the records and seal thereof, hereby certify that the foregoing is a true and correct copy of a resolution adopted by the Commission in public meeting properly and lawfully assembled on November 29, 2017, the original of which resolution has been entered in the official records of the Issuer under my supervision and is in my official possession, custody and control.

I further certify that the meeting was held in conformity with the requirements of Title 50, Chapter 14 of the Official Code of Georgia Annotated.

(SEAL)

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Executive Director

# Brunswick-Glynn County Joint Water & Sewer Commission

Summary of Bids Received for  
Revenue Refunding Bond, Series 2017



November 29, 2017

# Request for Proposals Solicitation



■ On Friday, November 10, 2017, Davenport & Company, in our capacity as financial advisor, on behalf of the Brunswick-Glynn County Joint Water and Sewer Commission, Georgia (the “Commission”), distributed a Request for Proposals (“RFP”) to over 25 local, regional and national lending institutions for the purpose of obtaining a loan evidenced by the Commission’s Revenue Refunding Bond, Series 2017 (the “2017 Bond”). The Request for Proposal was distributed with two options:

1. Option 1 – Fixed Rate until the final maturity date (June 1, 2035); and,
2. Option 2 – 15-year Fixed Rate with the ability to refinance/reset the interest rate for final 3 years.

– Note: Many lending institutions have a hard final maturity cap of not to exceed 15 years.

■ On Wednesday, November 22, 2017 Davenport received proposals from the following lending institutions which have been summarized below:

	Capital One	J.P. Morgan	Key Bank	Pinnacle	Sterling National	Stifel (Placement Agent)	Piper Jaffray (Placement Agent)
Option 1 (Fixed Until Maturity)	3.45%	N/A	3.062%	2.96%	2.904%	2.95%	2.95%
Option 2 (Rate Reset)	3.45%	3.36% <sup>(1)</sup>	2.605% <sup>(2)</sup>	2.96%	N/A	2.85%	2.85%

■ Detailed summaries of the proposals can be found in the Appendix.

(1) Rate only set until June 1, 2023

(2) Based upon an approximately \$10 million upfront principal amortization schedule, not what was provided in the RFP.

# Summary of Top Proposal



Sterling National Bank	
Series 2017 Refunding	
Amount:	Approximately \$36,500,000
Rate:	2.904%
Prepayment:	Non-Callable years 1-4, 101% years 5-10, par thereafter
Bank Closing Costs:	None
Accept by:	December 1, 2017
Close by:	December 29, 2017

# Debt Service Savings



Summary of Bonds Refunded	
Series	2010C
Coupon(s)	3.00 - 5.00%
Maturities Refunded	2018 - 2035
Par Refunded	\$37,515,000
Call Date	6/1/2020

Summary of Refunding Results	
Gross Savings	\$7,560,809
Net Present Value Savings	\$2,659,688
Percent Savings	7.09%
All-In TIC	2.97%
Negative Arbitrage	\$976,705

FY	Series 2010C Prior Debt Service			Series 2017 Final Numbers			Savings
	Principal	Interest	Total	Principal	Interest	Total	Total
2018	\$2,100,000	\$849,334	\$2,949,334	\$0	\$451,738	\$451,738	\$2,497,597
2019	2,170,000	1,625,919	3,795,919	1,980,000	1,056,011	3,036,011	759,908
2020	2,235,000	1,560,444	3,795,444	2,528,000	998,511	3,526,511	268,932
2021	1,760,000	1,464,700	3,224,700	2,031,000	925,098	2,956,098	268,602
2022	1,835,000	1,386,600	3,221,600	2,087,000	866,118	2,953,118	268,482
2023	1,925,000	1,294,850	3,219,850	2,145,000	805,512	2,950,512	269,338
2024	1,625,000	1,198,600	2,823,600	1,811,000	743,221	2,554,221	269,379
2025	1,710,000	1,117,350	2,827,350	1,868,000	690,629	2,558,629	268,721
2026	1,795,000	1,031,850	2,826,850	1,921,000	636,383	2,557,383	269,467
2027	1,865,000	960,050	2,825,050	1,975,000	580,597	2,555,597	269,453
2028	1,960,000	866,800	2,826,800	2,035,000	523,243	2,558,243	268,557
2029	2,055,000	768,800	2,823,800	2,091,000	464,146	2,555,146	268,654
2030	2,145,000	681,463	2,826,463	2,154,000	403,424	2,557,424	269,039
2031	2,235,000	590,300	2,825,300	2,215,000	340,872	2,555,872	269,428
2032	2,345,000	478,550	2,823,550	2,278,000	276,548	2,554,548	269,002
2033	2,465,000	361,300	2,826,300	2,347,000	210,395	2,557,395	268,905
2034	2,585,000	238,050	2,823,050	2,412,000	142,238	2,554,238	268,812
2035	2,705,000	121,725	2,826,725	2,486,000	72,193	2,558,193	268,532
<b>Total</b>	<b>\$37,515,000</b>	<b>\$16,596,684</b>	<b>\$54,111,684</b>	<b>\$36,364,000</b>	<b>\$10,186,875</b>	<b>\$46,550,875</b>	<b>\$7,560,809</b>

### Sources:

Par Amount	\$36,364,000.00
Debt Service Reserve Fund Release	<u>3,833,744.65</u>
	<b>\$40,197,744.65</b>

### Uses:

Refunding Escrow Deposits	\$40,007,000.74
Estimated Cost of Issuance	<u>190,743.91</u>
	<b>\$40,197,744.65</b>



# Timing of Savings



Assuming No Refunding				
	Sinking Fund Balance	Bond Payment	Sinking Fund Payment	Transfer to Reserves
12/1/2017	\$1,594,337	(\$849,335)	\$316,556	\$0
1/1/2018	1,061,558	0	316,556	0
2/1/2018	1,378,114	0	316,556	0
3/1/2018	1,694,670	0	316,556	0
4/1/2018	2,011,225	0	316,556	0
5/1/2018	2,327,781	0	316,556	0
6/1/2018	2,644,337	(2,949,334)	316,556	0
7/1/2018	11,559	0	316,327	0
8/1/2018	327,885	0	316,327	0
9/1/2018	644,212	0	316,327	0
10/1/2018	960,538	0	316,327	0
11/1/2018	1,276,865	0	316,327	0
12/1/2018	1,593,192	(812,960)	316,327	0
1/1/2019	1,096,559	0	316,327	0
2/1/2019	1,412,885	0	316,327	0
3/1/2019	1,729,212	0	316,327	0
4/1/2019	2,045,538	0	316,327	0
5/1/2019	2,361,865	0	316,327	0
6/1/2019	2,678,192	(2,982,960)	316,327	0
			<b>Savings</b>	<b>\$0</b>

Assuming Refunding of 2010C				
	Sinking Fund Balance	Bond Payment	Sinking Fund Payment	Transfer to Reserves
12/1/2017	\$1,594,337	(\$849,335)	\$0	\$316,556
1/1/2018	745,002	0	0	316,556
2/1/2018	745,002	0	0	316,556
3/1/2018	745,002	0	0	316,556
4/1/2018	745,002	0	0	316,556
5/1/2018	745,002	0	0	316,556
6/1/2018	745,002	(451,738)	0	316,556
7/1/2018	293,264	0	228,559	87,767
8/1/2018	521,824	0	228,559	87,767
9/1/2018	750,383	0	228,559	87,767
10/1/2018	978,942	0	228,559	87,767
11/1/2018	1,207,501	0	228,559	87,767
12/1/2018	1,436,060	(528,006)	228,559	87,767
1/1/2019	1,136,614	0	228,559	87,767
2/1/2019	1,365,173	0	228,559	87,767
3/1/2019	1,593,732	0	228,559	87,767
4/1/2019	1,822,291	0	228,559	87,767
5/1/2019	2,050,851	0	228,559	87,767
6/1/2019	2,279,410	(2,508,006)	228,559	87,767
			<b>Savings</b>	<b>\$3,269,099</b>

# Recommendation & Rationale

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- Davenport recommends the Commission accept the Option 1 Bid from Sterling National Bank to refinance the Commission's Series 2010C Bonds. This recommendation is based upon the following:
  - The bid from Sterling National provided the lowest interest rate under Option 1;
  - The interest rate is fixed until final maturity, eliminating any future interest rate risk;
  - The interest rate is not subject to change between now and the funding date;
  - Allows for prepayment flexibility; and,
  - There are no additional fees.

# Next Steps



Date		Action
November 10, 2017	✓	Davenport Distributed Request for Bids to Local, Regional and National Banking Institutions
Balance of November	✓	Davenport communicates with potential Lenders
November 22	✓	Davenport Received Responses to the Commission's Request for Proposals
November 29		<b>Special Called Meeting:</b> RFP results presented to Commission and Commission Adopts Financing Resolution and Financing Documents
Balance of December		Bond Validation
Balance of December		Bond Counsel Finalizes of Financing Documents
December 27		Close on 2017 Bond



# Appendix



# Appendix A: Sources and Uses

# Sources and Uses



## Sources of Funds:

### Bond Proceeds:

Par Amount	\$36,364,000.00
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### Other Sources of Funds:

Debt Service Reserve Fund Release	<u>3,833,744.65</u>
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<b>Total Sources of Funds</b>	<b>\$40,197,744.65</b>
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## Uses of Funds:

### Refunding Escrow Deposits:

Cash Deposit	\$0.74
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SLGS Purchases	<u>40,007,000.00</u>
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	<b>40,007,000.74</b>
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Estimated Cost of Issuance	<u>190,743.91</u>
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<b>Total Uses of Funds</b>	<b>\$40,197,744.65</b>
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# Appendix B: Proposal Summary



# Summary of Proposals Received



	Capital One Public Funding		JPMorgan	Key Government Finance		Pinnacle Public Finance - Prepayment in Whole		Pinnacle Public Finance - Prepayment in Part	
			J.P.Morgan						
	Option 1	Option 2	Option 2	Option 1	Option 2	Option 1	Option 2	Option 1	Option 2
Amount	\$42,000,000		\$36,596,000	\$36,596,000		\$42,000,000		\$42,000,000	
Final Maturity	June 1, 2035	June 1, 2032	June 1, 2023	June 1, 2032	June 1, 2031	June 1, 2035	June 1, 2032	June 1, 2035	June 1, 2032
Interest Rate	3.45%	3.45%	Variable Fixed Rate; Maximum of 3.360%	3.062%	2.605%	2.96%	2.96%	2.96%	2.96%
Rate Fixed	Yes		Yes	Yes		Yes		Yes	
Rate Lock	Yes		Yes	Yes		Yes		Yes	
Call Date	6/1/2026 on Any Interest Payment Date	6/1/2025 on Any Interest Payment Date	12/29/2018	Anytime		Anytime	6/1/2024	Once Annually on Any Payment Date in Minimum Amount of \$250k and Maximum Amount of \$4 Million	Once Annually on Any Payment Date in Minimum Amount of \$250k and Maximum Amount of \$4 Million
Prepayment Penalty	None		None	3.25% Year 1; 2.75% Year 2; 2.50% Year 3; 2.00% Year 4; 1.75% Year 5; 1.25% Year 6; 0.75% Year 7; 0.50% Year 8; 0.00% Thereafter	1.75% Year 1; 1.50% Year 2; 1.25% Year 3; 1.00% Year 4; 0.50% Year 5; 0.00% Thereafter	101% of Par Plus Accrued Interest until 5/31/2025; Thereafter at Par Plus Accrued Interest	None	Par Plus \$500 Re-Booking Fee	Par Plus \$500 Re-Booking Fee
Bank / Legal Fees	None		\$20,000	All Costs Associated with the Financing		\$7,500 for Lender's Counsel		\$7,500 for Lender's Counsel	
Accept By	12/1/2017		Not Specified	11/28/2017		12/29/2017		12/29/2017	
Close By	12/23/2017		Not Specified	12/29/2017		12/29/2017		12/29/2017	
Subject to Credit Approval?	Yes		Yes	Yes		Yes		Yes	
Yield Maintenance	Not Specified		Not Specified	Not Specified		Not Specified		Not Specified	
Gross Up Provisions	Not Specified		Not Specified	Usual and Customary Language		Yes; 4.55% if Taxable		Yes; 4.55% if Taxable	
Default Rate	Not Specified		Base Rate Plus 3.00%	Events of Default and Remedies Mimic 2010C Resolution		6.0%; 7.0% in the Event of Taxability		6.0%; 7.0% in the Event of Taxability	
Other Notes	Partial Prepayment on Any Interest Payment Date Subject to Certain Conditions and Restraints							6/1/2032 Maturity Prepayable at Any Time at a Price Equal to Par Plus \$500 Re-Booking Fee; No Additional Partial Prepayments Permitted in the Year of Prepayment	

# Summary of Proposals Received



	Sterling National Bank	Stifel (Bank TBD)		Piper Jaffray (Texas Capital Bank)	
	Option 1	Option 1	Option 2	Option 1	Option 2
Amount	\$36,596,000	\$42,000,000		\$42,000,000	
Final Maturity	June 1, 2035	June 1, 2035	June 1, 2032	June 1, 2035	June 1, 2032
Interest Rate	2.904%	2.95%	2.85%	2.95%	2.85%
Rate Fixed	Yes	Yes		Yes	
Rate Lock	Yes	Yes		Yes	
Call Date	6/1/2022 and Thereafter on Any Payment Date with 30 Days Notice	6/1/2023	6/1/2023; 2032 Maturity at Anytime	6/1/2023	6/1/2023; 2032 Maturity on or After 6/1/2018
Prepayment Penalty	101% of Par Years 5 - 10; Thereafter at Par	None	None	None	2032 Maturity Prepayable at 100.50% of Par Plus Accrued Interest
Bank / Legal Fees	None	Counsel Fee of \$10,000; Placement Fee of 0.1250%	0.20% Commitment Fee; Counsel Fee of \$10,000; Placement Fee of 0.1250%	Counsel Fee of \$10,000; Placement Fee of \$2 per Bond	Counsel Fee of \$10,000; Origination Fee of 0.20%; Placement Fee of \$2 per Bond
Accept By	12/1/2017	12/1/2017		12/1/2017	
Close By	12/29/2017	12/29/2017		12/29/2017	
Subject to Credit Approval?	Yes	Yes		Yes	
Yield Maintenance	No	No		No	
Gross Up Provisions	No	No		Not Specified	
Default Rate	4.750%	Not Specified		Not Specified	
Other Notes					

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