



Brian P. Kemp **Kevin Clark**
Governor Executive Director

May 30, 2019

The Honorable Donna Whitener
Mayor
City of Blue Ridge
480 W First St
Blue Ridge, GA 30513

RE: Modification for Loan No. DW2017017

Dear Mayor Whitener:

Enclosed are the modification documents regarding the Drinking Water State Revolving Fund loan agreement with the Georgia Environmental Finance Authority (GEFA) and the city of Blue Ridge. GEFA is pleased to provide you the following enclosed materials:

- 1) Three originals of the Modification of Promissory Note and Loan Agreement;
 - a. Exhibit A – Project Description
 - b. Exhibit E – Opinion of Borrower's Counsel
 - c. Exhibit F – Resolution of Governing Body

In order to execute these modification documents in a timely manner, please read the following instructions:

MODIFICATION OF PROMISSORY NOTE AND LOAN AGREEMENT

Enclosed are three original modification agreements. Each copy is an original counterpart and each must be executed. Please have the appropriate official sign each document and the appropriate person attest the signature. Once signed, return **THREE** modification agreements along with the other documents to GEFA so that they may be executed. We will then return your counterpart to you.

EXHIBIT E – OPINION OF BORROWER'S COUNSEL

Exhibit E is a sample letter that must be prepared by your local government's attorney. This letter ensures that the modification documents have been properly reviewed by the local government's attorney. Additionally, on the signature page of the Modification of Promissory Note and Loan Agreement, the local government's attorney must sign where indicated that the loan agreement is "Approved as to form."

EXHIBIT F – RESOLUTION OF GOVERNING BODY

This resolution gives authorization to the chief elected official to execute the modification documents and any and all other documents related to the loan. This resolution must be submitted with the signed modification documents.



When all documents have been completed, please return them to GEFA. Please let me know if we can be of further assistance to you.

Sincerely,

A handwritten signature in blue ink, consisting of a stylized 'S' followed by a long horizontal line that tapers to the right.

Sarah Oken
Project Manager

MODIFICATION OF PROMISSORY NOTE AND LOAN AGREEMENT

THIS MODIFICATION OF PROMISSORY NOTE AND LOAN AGREEMENT (this "Modification") dated _____, 20____, by and between **CITY OF BLUE RIDGE**, Georgia, a Georgia public body corporate and politic (the "Borrower"), and the **DRINKING WATER STATE REVOLVING FUND, ADMINISTERED BY GEORGIA ENVIRONMENTAL FINANCE AUTHORITY**, a Georgia public corporation (the "Lender").

Statement of Facts

A. The Lender and the Borrower are parties to that certain Loan Agreement, dated **OCTOBER 24, 2018**, as amended prior to the date hereof (as so amended, the "Loan Agreement"; all capitalized terms used in this Modification but not defined herein have the meanings given in the Loan Agreement), pursuant to which the Lender made a loan to the Borrower in accordance with the terms and conditions thereof. The Borrower's obligation to repay such loan is evidenced by that certain Promissory Note, dated **SEPTEMBER 11, 2018**, as amended prior to the date hereof (as so amended, the "Note").

B. The Lender and the Borrower desire to modify the Loan Agreement and Note in certain respects in accordance with the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the promises, the covenants and agreements contained herein, and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the Lender and the Borrower further agree as follows:

Statement of Terms

1. Amendments of Note - Subject to the fulfillment of the conditions precedent to the effectiveness of this Modification that are set forth below, the Note is hereby amended as follows:

Accrued interest on this Note shall be payable monthly on the first day of each calendar month until the first day of the calendar month following the earlier of (1) the Completion Date (as defined in the hereinafter defined Loan Agreement), (2) **JULY 1, 2020**, or (3) the date that the loan evidenced by this Note is fully disbursed (the "**Amortization Commencement Date**"). Principal of and interest on this Note shall be payable in **TWO HUNDRED THIRTY-NINE (239)** consecutive monthly installments equal to the Installment Amount (as hereinafter defined), commencing on the first day of the calendar month following the Amortization Commencement Date, and continuing to be due on the first day of each succeeding calendar month thereafter, together with a final installment equal to the entire remaining unpaid principal balance of and all accrued

interest on this Note, which shall be due and payable on the date that is **20** years from the Amortization Commencement Date (the "**Maturity Date**").

2. Amendments of Loan Agreement - Subject to the fulfillment of the conditions precedent to the effectiveness of this Modification that are set forth below, the Loan Agreement is hereby amended as follows:

Section 2 (a) of the Loan Agreement is hereby amended and restated to read as follows: "The Lender agrees to advance to the Borrower, on or prior to the earlier of (1) the Completion Date (as hereinafter defined), (2) **JULY 1, 2020**, or (3) the date that the loan evidenced by this Note is fully disbursed, the Loan in a principal amount of up to **\$387,000** which Loan may be disbursed in one or more advances but each such disbursement shall reduce the Lender's loan commitment hereunder and any sums advanced hereunder may not be repaid and then re-borrowed."

Exhibit A is amended and restated to read as written in the attached Exhibit A.

3. No Other Waivers or Amendments - Except for the amendments expressly set forth and referred to in Section 1 and 2 above, the Note and the Loan Agreement shall remain unchanged and in full force and effect. Nothing in this Modification is intended, or shall be construed, to constitute a novation or an accord and satisfaction of any of the obligations created by the Note.

4. Representations and Warranties - To induce the Lender to enter into this Modification, the Borrower does hereby warrant, represent, and covenant to the Lender that: (a) each representation or warranty of the Borrower set forth in the Loan Agreement is hereby restated and reaffirmed as true and correct on and as of the date hereof as if such representation or warranty were made on and as of the date hereof (except to the extent that any such representation or warranty expressly relates to a prior specific date or period), and no Event of Default has occurred and is continuing as of this date under the Loan Agreement; and (b) the Borrower has the power and is duly authorized to enter into, deliver, and perform this Modification, and this Modification is the legal, valid, and binding obligation of the Borrower enforceable against it in accordance with its terms.

5. Conditions Precedent to Effectiveness of this Modification - The effectiveness of this Modification is subject to the truth and accuracy in all material respects of the representations and warranties of the Borrower contained in Section 4 above and to the fulfillment of the following additional conditions precedent:

a. the Lender shall have received one or more counterparts of this Modification duly executed and delivered by the Borrower; and

b. the Lender shall have received (1) a signed opinion of counsel to the Borrower, substantially in the form of Exhibit E attached hereto, and (2) a certified copy of the resolution adopted by the Borrower's governing body, substantially in the form of Exhibit F attached hereto.

6. **Counterparts** - This Modification may be executed in multiple counterparts, each of which shall be deemed to be an original and all of which when taken together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have caused this Modification to be duly executed and delivered as of the date specified at the beginning hereof

CITY OF BLUE RIDGE

Approved as to form:

Signature: _____

Print Name: _____

By: _____

Title: _____

Borrower's Attorney

(SEAL)

Attest Signature: _____

Print Name: _____

Title: _____

**DRINKING WATER STATE REVOLVING FUND,
ADMINISTERED BY GEORGIA
ENVIRONMENTAL FINANCE AUTHORITY**

Signature: _____

Kevin Clark
Executive Director

(SEAL)

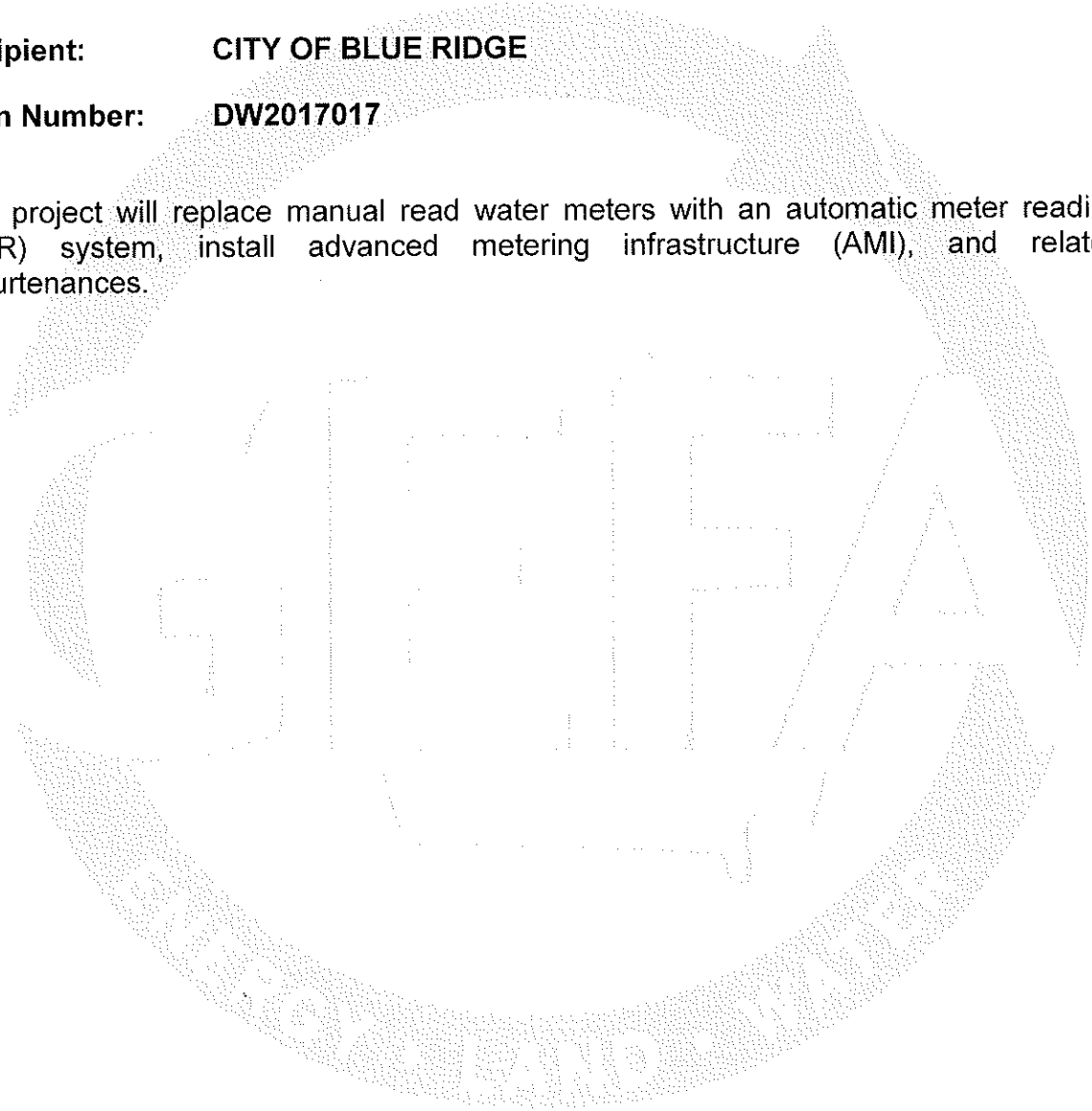
DESCRIPTION OF THE PROJECT

SCOPE OF WORK

Recipient: CITY OF BLUE RIDGE

Loan Number: DW2017017

This project will replace manual read water meters with an automatic meter reading (AMR) system, install advanced metering infrastructure (AMI), and related appurtenances.



DESCRIPTION OF THE PROJECT

PROJECT BUDGET

Recipient: CITY OF BLUE RIDGE

Loan Number: DW2017017

ITEM	TOTAL	DWSRF
Construction	\$322,660	\$322,660
Contingency	32,170	32,170
Engineering & Inspection	32,170	32,170
Administrative/Legal	-	-
TOTAL	\$387,000	\$387,000

*The amounts shown above in each budget item are estimates. Borrower may adjust the amounts within the various budget items without prior Lender approval provided Borrower does not exceed the loan amount contained in Section 1 of the Loan Agreement. In no event shall Lender be liable for any amount exceeding the loan amount contained in Section 1 of the Loan Agreement.

DESCRIPTION OF THE PROJECT

PROJECT SCHEDULE

Recipient: CITY OF BLUE RIDGE

Loan Number: DW2017017

ACTION	DATE
Plans & Specs Submitted to EPD	AUGUST 2018
Bid Opening	SEPTEMBER 2018
Notice to Proceed	OCTOBER 2018
Completion of Construction	MARCH 2020

SAMS, LARKIN, HUFF & BALLI, LLP

ATTORNEYS AT LAW

376 POWDER SPRINGS STREET
SUITE 100

MARIETTA, GA 30064-3448

JAMES A. W. BALLI

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June 6, 2019

VIA REGULAR MAIL

Drinking Water State Revolving Fund
Administered By Georgia Environmental Finance Authority
233 Peachtree Street, NE
Harris Tower, Suite 900
Atlanta, Georgia 30303-1506

Re: Opinion Letter for Modification of Loan Number: DW201717

To Whom It May Concern:

A legal opinion from Sams, Larkin, Huff & Balli, LLP was delivered to you dated September 13, 2018 (the "Closing Opinion"), relating to the Loan Agreement dated October 24, 2018 between the City of Blue Ridge (the "Borrower") and the Drinking Water State Revolving Fund, administered by the Georgia Environmental Finance Authority (the "Lender") and the Promissory Note (the "Note") dated September 11, 2018 of the Borrower. As counsel for the Borrower, I have examined the original of the Modification of Promissory Note and Loan Agreement (the "Modification"), between the Borrower and the Lender, the proceedings taken by the Borrower to authorize the Modification, the Closing Opinion, and such other documents, records, and proceedings as I have deemed relevant or material to render this opinion. Based upon such examination, I hereby reconfirm as of the date hereof the opinions contained in the Closing Opinion, subject to the modification that all references to the Note and the Loan Agreement (as defined in the Closing Opinion) shall be deemed to include a reference to the Modification. Nothing has come to my attention, after due investigation, that in any way might question the continuing validity and accuracy of the Closing Opinion, as modified above.

Sincerely,

SAMS, LARKIN, HUFF & BALLI, LLP


James A. Balli
jballi@slhb-law.com

JAB/dvm

EXTRACT OF MINUTES
RESOLUTION OF GOVERNING BODY

Recipient: CITY OF BLUE RIDGE

Loan Number: DW2017017

At a duly called meeting of the governing body of the Borrower identified above (the "Borrower") held on the _____ day of _____, _____, the following resolution was introduced and adopted.

WHEREAS, the Borrower has borrowed \$387,000 from the **GEORGIA ENVIRONMENTAL FINANCE AUTHORITY** (the "Lender"), pursuant to the terms of the Loan Agreement (the "Loan Agreement"), dated **OCTOBER 24, 2018**, between the Borrower and the Lender; and

WHEREAS, the Borrower's obligation to repay the loan made pursuant to the Loan Agreement is evidenced by a Promissory Note (the "Note"), dated **SEPTEMBER 11, 2018**, of the Borrower; and

WHEREAS, the Borrower and the Lender have determined to amend and modify the Note and the Loan Agreement, pursuant to the terms of a Modification of Promissory Note and Loan Agreement (the "Modification") between the Borrower and the Lender, the form of which has been presented to this meeting;

NOW, THEREFORE, BE IT RESOLVED by the governing body of the Borrower that the form, terms, and conditions and the execution, delivery, and performance of the Modification are hereby approved and authorized.

BE IT FURTHER RESOLVED by the governing body of the Borrower that the terms of the Modification are in the best interests of the Borrower, and the governing body of the Borrower designates and authorizes the following persons to execute and deliver, and to attest, respectively, the Modification, and any related documents necessary to the consummation of the transactions contemplated by the Modification.

(Signature of Person to Execute Documents) Mayor Donna Whitener
(Print Title)

(Signature of Person to Attest Documents) City Clerk Kelsey Ledford
(Print Title)

The undersigned further certifies that the above resolution has not been repealed or amended and remains in full force and effect.

Date: _____

Secretary/Clerk

(SEAL)