## MINUTES – REGULAR MEETING CITY OF CAMILLA, GEORGIA AUGUST 16, 2021

The regular meeting of the Mayor and City Council of the City of Camilla was called to order at 6:30 p.m. on Monday, August 16, 2021 by Mayor Owens.

Roll call indicated the following present: Councilman Campbell, Councilwoman Willingham, Councilman Morgan, Councilman Twitty, Councilman Pollard, and Councilman Palmer.

City Manager Steve Sykes, City Attorney Tommy Coleman, and City Clerk Cheryl Ford were also present.

## OPENING PRAYER AND PLEDGE

Councilman Pollard gave the invocation and the Mayor and Council led the Pledge of Allegiance to the Flag.

#### CITIZENS AND GUESTS

Sign-in Sheet Attached.

#### APPROVAL OF AGENDA

On motion by Councilman Pollard, seconded by Councilman Campbell, the agenda was approved as presented by a unanimous vote.

## APPROVAL OF MINUTES

On motion by Councilman Pollard, seconded by Councilman Morgan, the minutes from the July 19, 2021 City Council Meeting were approved as presented by a unanimous vote.

## SPEAKER APPEARANCES

Mayor Owens stated there are three scheduled non-agenda item speakers and called on Dr. Jonathan King to speak. Dr. King was not present.

Mr. Jerome Jester was called on next and introduced himself and stated he lived at 115 Lincoln Street, Camilla. He is present to speak on behalf of Edward Brown's accomplishments in Camilla, Mitchell County, and surrounding counties. Mr. Brown was a Vietnam Disabled Veteran and first black to run for Mayor of the City of Camilla. He was the president of the NAACP State Chapter and president of the NAACP Mitchell County Branch. He initiated action that resulted in black and brown citizens to serve on trial juries. Before that time selected people were not chosen to serve on trial juries. He initiated action that resulted in brown and black citizens being elected to public office and appointed to public boards such as the Hospital Board, Family and Children Service Board, Library Board, etc. These actions not only affected Camilla and Mitchell County but all surrounding counties in southwest Georgia. Brown wanted the United States Constitution and the democratic process to be for all citizens in Camilla, Mitchell County, and surrounding counties. He knows the street renaming application has been withdrawn and many of the residents that were against the renaming of the street suggested there be some

## SPEAKER APPEARANCES (cont.)

type of marker/recognition of Edward Brown, Jr. and he agrees. He knows it may be difficult to honor and recognize a person who worked mostly for the underserved, the poor, and the oppressed but so did all great leaders including Jesus Christ. He asks the City of Camilla to erect markers honoring Edward Brown, Jr. Mayor Owens thanked him for his time.

Mayor Owens called on Jenny Bostick who was not present.

## COVID-19 UPDATE – DEPARTMENT OF PUBLIC HEALTH

City Manager Sykes stated the Department of Public Health was closed today due to the impending weather and they had no access to their computers so there will not be anyone present to make the report. He has gotten word from the Nurse Manager the plan for Mitchell County is to start providing rapid testing later this week. He should have a report tomorrow when the employees are allowed to go back to the office and have access to their computers and will share the information provided. Positive COVID cases are up dramatically in Mitchell County and southwest Georgia. Mrs. Dixon expressed her apologies for not being able to attend tonight or provide information but assured him she will have access tomorrow and he will share with the Mayor, Council, and community. Any additional support or encouragement they [Mayor/Council] can give to the community to get vaccinated will help the community out according to the Department of Public Health. Three weeks ago we were averaging a little less than one new positive case and the last two weeks we averaged seven. Last week we had ten new cases a day. The Department of Public Health stopped providing updated information on holidays and weekends. Last Monday there were thirty-one cases which averaged ten a day for the three day weekend. Today we had nineteen new cases which is about seven new cases a day. There is a lot of information and we are not updated and the sense is that it is still predominant in Mitchell County. When you look at the map with the surrounding counties there are counties next to us in worst shape than we are. We are all in serious shape when it comes to numbers of people being infected and the impact it is having on local hospitals. Anything we can do to encourage the public to get a vaccination to help them and their neighbors be protected is smart for us to do. There are local health departments able to provide the testing to include Thomas County and Colquitt County. Mitchell County does not currently have the testing. Numbers would indicate there are people that are positive but have not been tested because the availability of testing is not there. The goal and hope is that by the end of the week Mitchell County can have access to rapid tests to help better access whether someone has an infection they need to deal with or just symptoms related to COVID and not the virus. Councilman Morgan asked if the COVID-19 Task Force is still meeting. City Manager Sykes commented he did not know and could reach out to the Department of Public Health to find out.

#### **PUBLIC HEARINGS**

**ALCOHOL ORDINANCE** – Mayor Owens stated this is the second public hearing for the Alcohol Beverage Ordinance: Ordinance No. 2021-08-16-1, an ordinance repealing the existing alcoholic beverages ordinance, adopting a new ordinance for regulating the sale of alcoholic beverages in the corporate limits of the City of Camilla, Georgia, repealing all prior ordinances in conflict herewith, and for other purposes. The public hearing was opened and he asked for

## PUBLIC HEARINGS (cont.)

comments from the public or Council. Councilman Pollard asked if there would be a third hearing to which Mayor Owens replied this is the final hearing. There being no further comments, the second public hearing for the Alcohol Beverage Ordinance was closed.

**SPECIAL EVENTS ORDINANCE** – Mayor Owens opened the second reading and public hearing for the Special Events Ordinance and read the ordinance summary: Ordinance No. 2021-08-16-2, an ordinance of the City of Camilla, Georgia providing for an application and licensing process for special events to be held on City property, rental or use of properties for events, providing for conduct of events, and for other purposes. He asked for comments from the Council or public. There being none, the second public hearing for the Special Events Ordinance was closed.

#### **ACTION ITEMS**

## RENEWABLE ENERGY CUSTOMER AGREEMENT – WALMART SOLAR PROJECT

The Council reviewed a request from Walmart to participate in a solar initiative to facilitate Walmart's commitment of transitioning to renewable energy. Terms of the agreement require the City to purchase adequate renewable energy from the Municipal Electric Authority of Georgia (MEAG) and to provide the requested renewable energy to Walmart. City Attorney Coleman reviewed and approved the agreement as to form. The City Manager recommends Council approval of the Renewable Energy Customer Agreement and authorizing the Mayor to sign the agreement.

A motion was made by Councilman Twitty and seconded by Councilman Pollard. City Manager Sykes stated he wanted to make sure the Resolution is added to the motion. The Resolution authorizes the City to enter into the other agreement with MEAG. City Attorney Coleman commented the motion is to adopt the Resolution which covers both agreements. Councilman Pollard asked if they had something added to the agreement. City Attorney Coleman replied it was a form that MEAG uses and when they adopt a MEAG contract they provide the Resolution which has already been discussed and does not add or delete anything from the contract. Councilman Twitty commented down the road this will not only be a resolution for Walmart but other customers of like size that would perhaps like to participate and we have a blueprint to go by for any future businesses. The motion passed by a unanimous vote.

## ORDINANCE NO. 2021-08-16-1 - ALCOHOLIC BEVERAGES

The Council conducted two public hearings and two readings of Alcoholic Beverage Ordinance No. 2021-08-16-1. The ordinance repeals the existing alcoholic beverage ordinance, adopts the new ordinance to regulate the sale of alcoholic beverages, repeals all prior ordinances in conflict, and other purposes. A copy of the ordinance is available on the City's website and at City Hall for public viewing. The City Council recommends adoption of the ordinance and authorizes the Mayor to sign.

On motion by Councilman Twitty, seconded by Morgan, the motion to adopt Alcoholic Beverage Ordinance No. 2021-08-16-1 and authorize the Mayor to sign passed by a unanimous vote.

## ORDINANCE NO. 2021-08-16-2 – SPECIAL EVENTS

The Council conducted two public hearings and two readings of Special Events Ordinance No. 2021-08-16-2. The ordinance provides for the application and licensing process for special events held on city property, rental and/or use of properties for events, conduct of events, and other purposes. The Mayor and Council have deemed it necessary and prudent to establish a uniform system for the permitting and regulation of such events in order to properly protect the health, safety, and welfare of the citizens of Camilla and for permitting the conduct of special events that may also be of benefit to the community. A copy of the ordinance is available on the City's website and at City Hall for public viewing. The City Council recommends adoption of the ordinance and authorizes the Mayor to sign.

On motion by Councilman Twitty, seconded by Campbell, the motion to adopt Special Events Ordinance No. 2021-08-16-2 and authorize the Mayor to sign passed by a unanimous vote.

## RESOLUTION NO. 2021-08-16-2 – RURAL ZONE DESIGNATION APPLICATION

City Manager Sykes stated the Resolution in the packet supports the application of a Rural Zone designation and a description of what rural zone status does for the City of Camilla. It is targeted at helping the City revitalize its' downtown. Recently City staff and the Mayor attended a presentation made by the City of Bainbridge demonstrating what the benefits of a rural zone designation were and continue to be for the City of Bainbridge. It is a five-year designation and once the designation begins you are on the clock to take advantage of the benefits. The benefit for Camilla is for anyone who applies for and receives the credit. The credits are a rehabilitation tax credit which gives an incentive to rehab an existing building, a job tax credit which gives an incentive for creating jobs with a \$2,000 credit per full-time equivalent job created, and an investment tax credit that helps attract investors who have money and looking for ways to get a tax credit for investing in our downtown. The Resolution states the Mayor and Council supports the rural zone designation for the City of Camilla and with passage of the Resolution we hope to be selected for rural zone designation in our downtown area. Mayor Owens asked him to talk about the application process. City Manager Sykes stated we used our Regional Commission who has successfully prepared applications for other municipalities. The deadline was Friday the 13<sup>th</sup> and we submitted a comprehensive application almost 300 pages long for which copies are available for anyone to view and read good information about the community. The application was submitted by the deadline and it will be ranked and scored against other communities that also met the deadline. We should know within sixty days whether we are successful and awarded the designation. If we don't get awarded we would want to submit again because it truly would be a benefit for our community and any new business that would like to open, improve, and invest in downtown Camilla. Mayor Owens thanked the Council and stated a lot of remote stuff needed to happen on Friday. He thanked Don, Jennifer and everybody for trying to put it together. He specifically expressed thanks to the City Council and stated they had to do a lot electronically in communicating and in order to get this done had to really move. There were no delays from the Council and we got it done and in the mail. He appreciates the City Council's willingness to get this done on Friday and to do this now. On motion by Councilman Palmer,

# RESOLUTION NO. 2021-08-16-2 - RURAL ZONE DESIGNATION APPLICATION (cont.)

seconded by Councilman Campbell, the motion to apply for a rural zone designation via approval of the Resolution passed by a unanimous vote.

#### BOYS AND GIRLS CLUB PROJECT SCOPE DISCUSSION

City Manager Sykes stated at the last Committee Meeting there was discussion about options for renovating the event center and making improvements to the Boys and Girls Club. At the conclusion of the work session there was an informal inspection/walk-through of the facility. Some reached out to him after the walk-through with thoughts, ideas and opinions of the best path forward for the Council in deciding what to do with the building we own and something needs to happen with the building. It did not appear to him there were four councilmembers willing to spend \$1,000,000 to fix the building and saw no point in coordinating a special called meeting on the Thursday the 12th. The purpose of that meeting would be to award the low bid for renovation of the building. We are not awarding the renovation of the building and the contractor knows that. We are now at a point of deciding what to do next and we should hear from the Boys and Girls Club Executive Director or the Board of Directors as to what their needs are and what they would like to see. In talking individually with councilmembers there are some ideas about what they could do and believes that would be a good discussion for a follow-up work session and would like to get direction from the Council. Mayor Owens stated to Steve's point the best thing to do is table the item until a more appropriate time to discuss some of the ideas that were discussed previously. That will give the Boys and Girls Club Executive Director and the Board an opportunity to talk about some things and also give them an opportunity to put those things together and see what they can do. He does not think they should put a time on it but just to know they are moving forward with the potential of doing something different. It will not be helpful tonight to try and get into the details, just that we are not doing this bid and make sure everyone is good with that. He asked if there was a consensus they would wait until they get some stuff squared away first and Councilman Pollard stated he agreed with that. Mayor Owens stated the Executive Director was here and asked Ondrea if she had anything. She stated she talked with Steve about moving ahead and are in the process of doing that. They share the building with Mitchell County Youth and Teen Center so they are trying to clean out some room. With the weather she does not know how the roof is going to hold up and will try to get out as soon as they can. Mayor Owens stated at this time they would postpone indefinitely and definitely would get back to it. Councilman Pollard commented to Ondrea if there is something the City can do to relocate the kids to another facility to reach out. She replied she would call Steve about it.

#### CITY MANAGER'S REPORT

City Manager Sykes stated his manager's report is in their packet with project updates. The one thing he put on the informational update is a Community Development Block Grant public hearing to discuss additional work for West Circle that will be held tomorrow at noon and it has been advertised in the newspaper and website. The application for the grant was \$750,000 and the City was matching with a little over \$100,000. The design improvements for West Circle in-

## CITY MANAGER'S REPORT (cont.)

cluded sidewalks and rehabilitating storm water and sanitary sewer improvements. The bids came back very competitive and the low bid was well under the \$850,000 budget we had. To not leave any money on the table they went back to find additional work that could be done inside the West Circle boundary that would be acceptable. There is additional work in line with the type of work we are doing to take some of the value back to the original bid amount. What was not in the original bid was road resurfacing. In order to spend some of the \$850,000 to resurface roads we will have a follow-up public hearing and hear feedback from the community. Once the public hearing is held tomorrow we will be able to expand the scope of the work to include resurfacing. One of the roads being looked at is Oak Street which was one of our previous streets to resurface and pave. If this goes through we will be able to use CDBG money to pave that street and it will free up funds for other paving through our paving program. After the public hearing is over they will ask the Mayor to sign a letter of support. If the Council does not have a concern with the Mayor signing we would like to include that letter with our application for the CDBG fund use. Councilman Morgan stated he mentioned there was room for other street paving and if any streets have been identified heading into the public hearing. City Manager Sykes replied part of the public hearing will be taking suggestions the community or staff may have to do additional paying in the area. His goal is to spend the whole \$850,000 as far as it will go. They don't have resurfacing bids and can't tell how many square yards until they do the bids. We can't do the bids until the public hearing is held and we get permission to expand the scope. It is a three-step process and the goal is to get as much benefit out of the grant and not send any money back than is absolutely necessary. Mayor Owens asked if there was any issue with him signing a letter of support. None were voiced.

City Manager Sykes stated they are all aware of the issues at the land application system where they do a spray irrigation of the effluent that comes out of the treatment plant. One of the ponds has a liner that has failed and they have been studying what is underneath the failure so they don't put a Band-Aid on a bigger problem. They determined what a solution could be and the liner needs to be replaced. The repair under the liner is minor in scope and not a big issue. It is an old liner and reached the end of its' life. While they are repairing one liner he thinks they should repair the other. It is about \$1,500,000 to repair both ponds and replace both liners. Up until now the best option is a GEFA loan with 50% forgiveness. GEFA would loan \$750,000 and grant \$750,000 which is a great deal to pay for half of the costs. On August 1st special funds were made available through the Governor's Office called the State Fiscal Recovery Fund and it is administered through the Governor's Office of Planning and Budget. The deadline is August 31st and the window is open thirty-one days. It took two weeks to figure out the best use for the money and something we would qualify for. He would like to utilize the Regional Commission who will prepare the application at no charge for us and apply for the grant to repair both liners at the land application site. It is competitive and we are not the only community that has a shovel ready project to ask for the money and believes a 20% match would make it very competitive for us. A 20% match on a \$1.5 million project means the City would contribute \$300,000 and the State would contribute \$1.2 million in the form of a grant and certainly better than \$750,000 if they went the GEFA route. He prepared a letter sent by the Regional Commission and is a letter of support and does not require Council action. He knows the Mayor will want to make sure the Council is supportive of him signing a letter of support on behalf of the City of Camilla. It does

## CITY MANAGER'S REPORT (cont.)

not bind us to anything until we see the grant but says they support the City applying for the \$1.2 million grant. Broadband, water/sewer infrastructure or negative economic impact are the three areas they can apply for and he felt our most pressing need is fixing the liners and the best way to use the funds. Councilman Campbell commented the spray field has been a problem for several years and they have been studying it trying to figure out what is going on. The importance is all the water from the Tyson plant is pumped to the two spray field holding ponds and if we can't disperse the water it could shut the plant down because it has to be moved. The liners were put in at the same time and the spray field is a way of dispersing the treated water from Tyson. It is put on a hayfield and cut for hay and we don't have to mow or do anything and it is important to get this done. After additional conversation, City Manager Sykes stated now is the best time to repair both liners and at this point 80% would be funded by a grant and later those grant dollars may not be available and will either be funded by GEFA or rate payers of the sewer system. Councilman Palmer made a motion to authorize the Mayor to sign the letter which was seconded by Councilwoman Willingham. City Manager Sykes stated for clarification this is not on the agenda for approval. If they want to vote on it would be in order to amend the agenda if they want to lend their support to the Mayor signing it. Mayor Owens stated he recommends if they are all good with it he will sign it. Councilman Morgan asked if there is a limit on the number of applications they could submit and City Manager Sykes responded there was not a limit but a deadline. Mayor Owens stated for this particular grant they are good with it and he will sign the letter. This is the same situation they ratified earlier this year to authorize the study for \$40,000. The study is now done and this is the result of it; however, grant or no grant it has to be fixed and are talking about \$1.5 million and whether it comes from GEFA or this grant it has to be done. Between now and the Committee Meeting for September we need to get an idea if this fails how we are going to pay for it. He asked Steve to look at that and would like to stay away from anything that would require rate increases on our customers. To have a couple of ideas of how to pay for this would be the thing to do in case this particular grant fails. City Manager Sykes replied he could have that ready for the Committee Meeting.

Councilman Pollard asked about city staff and COVID. City Manager Sykes stated right now we are doing good staff wise. In surrounding communities they are not doing so well but it is probably going in cycles. Councilman Pollard asked if the hazard compensation was in effect. City Manager Sykes responded the plan is still in place and if we keep going at the rate we are going now there will be hazard pay for the upcoming 4 week period. The last seven days we are over the hazardous situation and the program is still in effect and not activated in several months.

Mayor Owens stated as an addendum to that discussion related to Item 6 and the City Manager report as it relates to the Governor's response to the increase in numbers he will call on City Attorney Coleman. Mr. Coleman commented the Governor has not changed his order except he extended it. He spoke too soon at the last meeting when he said they would have to comply with the open meetings law as they historically have done. The Governor has extended it until the end of the month and they can expect him, to the extent of the pandemic, to extend every thirty days. The question last month was the use of telephone conferences. They have taken a liberal view that if a person felt uncomfortable coming to a meeting because of COVID we allowed them to call in and that will be fine. There is no real change on the regulations. Mayor Owens asked if it

## CITY MANAGER'S REPORT (cont.)

was the State of Emergency that has been extended. Mr. Coleman replied the order we have been working under for all these months essentially said if a city, county or school board can use technology to conduct their affairs to do it. Mayor Owens commented that option for right now is back on the table and probably will not have to be used prior to September but as the city attorney mentioned it is running in thirty-day intervals. We will have an opportunity to see if we want to put more technology to what we do in our meetings as we go forward.

## **MAYOR'S COMMENTS**

Mayor Owens commented there is another letter from the Georgia B. Williams Nursing Home, Inc. and their process is to continue to ask for grants for this ongoing project. They are looking for a more standard letter to go with the package when they submit applications. They want him to sign a standard letter which is in the packet and asked if there was any issue from the Council. No one expressed issues for him to sign the letter.

He further commented as someone who is fully vaccinated what he says to the public and citizens is this is a personal decision and encouraged them to talk to their doctor to see what is best for them and their family. He is vaccinated along with his daughter, aunt, and cousins. He did it for himself, his family, and his community. For everyone else they will have to make a decision on why they will or will not do it. He thinks the best course of action, and encourages them, to talk to their doctor to see what is best for them and their family. The pandemic is obviously resurfacing and is here and looks like it will be here for a bit if not for a while.

## **EXECUTIVE SESSION**

Mayor Owens announced at this time they would be entering Executive Session and the Facebook live feed will be cut. A motion was made by Councilman Palmer and seconded by Councilman Campbell to enter into Executive Session to discuss personnel and negotiations to purchase, dispose of or lease real estate or other property. The motion passed by a unanimous vote.

On motion by Councilman Palmer, seconded by Councilwoman Willingham and passed by a unanimous vote, the Executive Session was adjourned and Regular Session reconvened.

## RANDY CHEW - SPECIAL COUNSEL

A motion was made by Councilman Campbell and seconded by Councilwoman Willingham to appoint Randy Chew as special counsel for the City of Camilla. Mr. Chew will not be paid a retainer and will be paid for services rendered by the hour. The motion passed by a unanimous vote.

## **ADJOURNMENT**

On motion by Councilman Pollard, seconded by Councilwoman Willingham, the meeting adjourned at 8:05 p.m.

BY:

KELVIN M. OWENS, MAYOR

ATTEST:

CHERYL FORD, CLERK

## SIGN-IN SHEET

| DATE: HIGUST 16, | 2021 |            |               |
|------------------|------|------------|---------------|
| MEETING: COUNCIL |      | TIME: 6:30 | A.M. \ \ P.M. |

| NAME (please print)  | STREET ADDRESS       | CITY    |
|----------------------|----------------------|---------|
| 1. Jerome Jestel     | 115 Lincola 57       | Camilla |
| 2. Dawy W. Clark     | 5606 Raye Ridge. Rd. | Camilla |
| 3. Watter Ansersan   | 104 Thomphe ST       | CAMILO  |
| 4. William A. Ewin   | 715. Balasle St      | Con 7/4 |
| 5. Undree Peoples    | 144 South Haven      | Canilla |
| 6. Rhundle Willified | 194 N Ellis          | Carryo  |
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# POWER PURCHASE CONTRACT BETWEEN MUNICIPAL ELECTRIC AUTHORITY OF GEORGIA AND THE UNDERSIGNED PARTICIPANT

This Power Purchase Contract (this "Contract"), made and entered into as of August 16, 2021, by and between the Municipal Electric Authority of Georgia (the "Authority" or "MEAG Power"), a public body corporate and politic and a public corporation and an instrumentality of the State of Georgia, created by the provisions of the Municipal Electric Authority Act, Ga. L. 1976, p. 107, as amended (the "Act"), and the City of Camilla (the "Solar Participant"), a political subdivision of the State of Georgia.

## **WITNESSETH:**

WHEREAS, pursuant to the Act, the Authority has previously entered into one or more Power Sales Contracts (each, as amended, a "Power Sales Contract") with eligible political subdivisions, including the Solar Participant (each, a "Participant") to provide, from defined production projects and sources, for the Participants' bulk electric power supply needs;

WHEREAS, one such Power Sales Contract, the Project One Power Sales Contract (the "Project One Power Sales Contract"), further provides in Section 401 thereof that the Authority will provide or cause to be provided to each of the participants thereto, including the Solar Participant, (the "Project One Participants") its supplemental bulk power supply ("Supplemental Power") (i.e., that portion of the Solar Participant's bulk power supply in excess of its entitlement to power, energy, output and services from any MEAG Power project) during each month of each Power Supply Year (therein defined);

WHEREAS, Section 404 of the Project One Power Sales Contract provides that a Project One Participant may elect to procure an alternate source of Supplemental Power other than that provided by the Authority, subject to providing notice to the Authority in accordance with subpart (c) of that Section;

WHEREAS, the Authority adopted a Supplemental Power Supply Policy in March of 1999, as amended (the "Supplemental Power Policy"), which, in part, waived the notice requirements provided for in Section 404(c) of the Project One Power Sales Contract;

WHEREAS, the Authority has an opportunity to procure a substantial amount of Supplemental Power for a multi-year term through a Power Purchase Agreement with Pineview Solar LLC (the "Company") for the output and services of approximately 80 MWac from a photovoltaic solar energy generation facility located in Wilcox County, Georgia (the "Facility") to be constructed, owned, operated, and maintained by the Company (hereinafter the "SPPA");

WHEREAS, in accordance with the Supplemental Power Policy, the Solar Participant and certain other Project One Participants (each such participating Project One Participant referred to herein as a "PPOP" and each such PPOP other than the Solar Participant an "Other PPOP") have requested that the Authority purchase from the Company power, output and services of the Facility to provide for their Supplemental Power;

WHEREAS, the Authority and the Solar Participant agree that this Contract is supplemental to and authorized by the Project One Power Sales Contract;

WHEREAS, the Authority has entered into power purchase contracts with the other PPOPs that are substantially similar to this Contract (each such power purchase contract an "Other PPC"); provided that each Other PPC reflects the applicable PPOP's Maximum MW Subscription (as defined below);

WHEREAS, the Authority and the Solar Participant agree that the payment obligations under this Contract shall constitute the general obligations of the Solar Participant for the payment of which the full faith and credit of the Solar Participant is pledged, obligating the Solar Participant to provide for the assessment and collection of an annual tax sufficient in amount to provide funds annually to make all payments due hereunder;

NOW, THEREFORE, for and in consideration of the premises and mutual covenants and agreements hereinafter set forth, it is agreed by and between the parties hereto as follows:

1.

1.1 <u>SPPA</u>. The SPPA, in substantially the form attached hereto as <u>Exhibit A</u>, describes the terms under which the Products (as defined therein) of the Facility shall be made available to the Authority for the provision of solar power to the Solar Participant.

## 1.2 Entitlement Share.

- (a) <u>Maximum MW Subscription</u>: The Solar Participant's "Maximum MW Subscription" is <u>0.5973</u>MWac.
- (b) <u>Entitlement Share</u>. The Solar Participant's "**Entitlement Share**" shall be that percentage of the Facility's output to which the Solar Participant is entitled. The Solar Participant's Entitlement Share shall calculated as follows:
- (i) <u>Step One:</u> The amount of the Solar Participant's Maximum MW Subscription shall be multiplied by a fraction, the numerator of which is the number of MWAC actually comprising the Facility and the denominator of which is the sum of the amount of the Solar Participant's Maximum MW Subscription and the amount of the maximum MW subscriptions of the Other PPOPs.
- (ii) <u>Step Two</u>: The solution to Step One, above, shall be divided by the number of MWAC actually comprising the Facility (with the solution to this Step Two being the percentage of the Facility's output constituting the Solar Participant's Entitlement Share).
- 1.3 <u>Initial Payment Obligation</u>. The Authority shall deliver to the Solar Participant an initial billing statement up to ninety (90) days prior to the Facility's anticipated commencement of the delivery of Test Energy pursuant to the SPPA (such anticipated date of delivery referred to as the "Start Date"). The initial billing statement shall set forth the Solar Participant's allocable share of the sum of the

estimated Solar Costs and estimated MEAG Costs (both terms, as defined in Section 1.4 below) for the month the Authority anticipates will generate the highest aggregate amount of Solar Costs and MEAG Costs (the "Maximum Monthly Amount") during the year subsequent to the year of the Start Date. Amounts collected pursuant to this Section 1.3 (the "Escrow Amount") shall be held in escrow by the Authority, subject to use by the Authority pursuant to the terms hereof. At the end of each calendar year commencing the year after the year of the Start Date the Authority shall recalculate the Solar Participant's Maximum Monthly Amount for the next year and, (i) if the Maximum Monthly Amount exceeds the Escrow Amount, the Authority shall include an amount equal to such deficit on the Solar Participant's next Billing Statement (as defined in Section 1.4) and (ii) if the Maximum Monthly Amount is less than the Escrow Amount, the Authority shall, at the Authority's election, either (A) refund to the Solar Participant an amount from the Escrow Amount equal to such excess or (B) credit such excess to the Solar Participant's next succeeding Billing Statement(s).

## 1.4 Ongoing Payment Obligations.

- (a) The Authority shall deliver to the Solar Participant a monthly Billing Statement commencing within the thirty (30) days preceding the anticipated Start Date and continuing through the Term. For purposes of this Contract, a "Billing Statement" shall be a written statement prepared or caused to be prepared monthly in advance by the Authority that shall set forth the Solar Participant's estimated payment obligations pursuant to the terms hereof.
- (b) The Solar Participant shall remit payment monthly in advance. The Solar Participant's payment obligations hereunder for a particular month shall be an amount equal to the Solar Participant's allocable share of the sum of the estimated Solar Costs and the estimated MEAG Costs. To the extent the amount paid by the Solar Participant pursuant to the preceding sentence is either greater or less than the Solar Participant's allocable share of the sum of the actual Solar Costs and the actual MEAG Costs for a particular month, the Authority: (i) shall credit any excess payment to the Solar

Participant's next Billing Statement and (ii) may satisfy any deficit from the Solar Participant's Escrow Amount and include a corresponding charge on the Solar Participant's next Billing Statement (so as to restore the Solar Participant's Escrow Amount).

For purposes of this Contract, (i) "Solar Costs" for a particular month shall mean the gross amount due to the Company or any other person for the month by the Authority pursuant to the terms of the SPPA, but excluding any interest charged by the Company to the Authority pursuant to Section 10.3 of the SPPA and (ii) "MEAG Costs" for a particular month shall mean all costs incurred by the Authority during the month in connection with the purchase from the Company and delivery to the Solar Participant of the Solar Participant's Entitlement Share, including, but not limited to, (A) costs of (I) scheduling the delivery of solar energy, (II) energy imbalance penalties and (III) all other charges imposed on the Authority and associated with the transmission and delivery of solar energy to the Solar Participants, and (B) a share determined by the Authority to be allocable to this Contract, of all (I) administrative and general costs and (II) operation and maintenance costs, in each case related to the operation and conducting the business of the Authority, including salaries, fees for legal, engineering, and other services and all other expenses properly related to the conduct of the affairs of the Authority.

(c) The Solar Participant's payment obligations to the Authority arising under this Contract shall constitute general obligations of the Solar Participant for the payment of which the full faith and credit of the Solar Participant shall be and the same hereby is pledged to provide the funds required to fulfill all obligations arising under this Contract. Unless such payments or provisions for such payments have been made from the revenues of the Solar Participant's electric system or from other available funds, the Solar Participant will annually in each and every fiscal year during the term of this Contract include in its general revenue or appropriation measure sums sufficient to satisfy the payments required to be made in each year by this Contract until all payments hereunder have been made in full.

- (d) Except as specifically provided herein, any payment due under this Contract shall be paid within ten (10) calendar days of the Solar Participant's receipt of the Billing Statement. The Parties agree to work in good faith to resolve any disputed amounts prior to the due date for such amount, and agree that any resolution of such disputed amount may, if necessary be addressed by appropriate adjustment to subsequent Billing Statements.
- 1.5 <u>Rate Covenant.</u> The Solar Participant will establish, maintain, and collect rates and charges for the electric service of its electric system so as to provide revenues sufficient to enable the Solar Participant to pay to the Authority all amounts payable under this Contract and to pay all other amounts payable from and all lawful charges against or liens on the revenues of its electric system.

2.

Term. The term of this Contract shall commence on the date that is ninety (90) days prior to the Start Date and shall continue through and include the end of the twentieth (20th) Contract Year (as defined in the SPPA), unless the SPPA is terminated prior to such date, at which point this Contract will terminate upon the Solar Participant's full and complete satisfaction of its duties and obligations hereunder.

3.

Products Constitute Supplemental Bulk Power. The Solar Participant acknowledges that all Products contemplated in the proposed SPPA, if implemented, will constitute Supplemental Power, provided, however, that the Solar Participant agrees that it will not exercise its rights under the Supplemental Power Supply Policy or Section 404(c) of the Project One Power Sales Contract to optout of its payment obligations under this Contract at any time prior to the expiration of the term of the SPPA.

<u>Pledge of Payments</u>. All payments in respect of Solar Costs required to be made by the Solar Participant pursuant to this Contract, and any or all rights to collection or enforcement of such payments, may be pledged to secure the payment of the Authority's obligations under the SPPA.

5.

Governing Law; Venue. This Contract shall be interpreted and enforced in accordance with the laws of the State of Georgia, excluding any choice of law rules that may direct the application of the laws of another jurisdiction. The Parties agree that the venue for any action arising out of, or in regard to, this Contract shall be in the Superior Court of Fulton County, Georgia and each Party hereby consents to jurisdiction over it in Fulton County, Georgia.

6.

Mutual Representations and Warranties. Each Party represents and warrants to the other that, as of the Effective Date:

- (a) <u>Organization</u>. It is duly organized and validly existing under the laws of the State of Georgia.
- (b) <u>Authority</u>. It (i) has the requisite power and authority to enter into this Contract and (ii) has, or as of the requisite time will have, all regulatory and other authority necessary to perform hereunder.
- (c) <u>Corporate Actions</u>. It has taken all corporate or other applicable actions, including provision of notice, required to be taken by it to authorize the execution, delivery and performance hereof and the consummation of the transactions contemplated hereby.
- (d) <u>No Contravention</u>. The execution, delivery and performance and observance hereof by it of its obligations hereunder do not (a) contravene any provision of, or constitute a default under, (i) any indenture, mortgage, security instrument or undertaking, or other material agreement to

which it is a party or by which it is bound, (ii) any valid order of any court, or any regulatory agency or other body having authority to which it is subject, or (iii) any material Applicable Law presently in effect having applicability to it, or (b) require the consent or approval of, or material filing or registration with, any Governmental Authority or other Person other than such consents or approvals that are not yet required but expected to be obtained in due course.

- (e) <u>Valid and Enforceable Agreement</u>. This Contract is a valid and legally binding obligation of it, enforceable against it in accordance with its terms, except as the enforceability hereof may be limited by Georgia law, including the Act, and general principles of equity or bankruptcy, insolvency, bank moratorium or similar laws affecting creditors' rights generally, laws restricting the availability of equitable remedies, and limitations on legal remedies against public bodies corporate and politic of the State of Georgia.
- (f) <u>Litigation</u>. No litigation, arbitration, investigation or other proceeding is pending or, to the best of such Party's knowledge, threatened against such Party with respect to this Contract or the transactions contemplated hereunder, in each case, that if it were decided against such Party would materially and adversely affect such Party's ability to perform its obligations hereunder.
- (g) <u>Legal Opinions</u>. The Solar Participant shall authorize the execution and delivery of this Contract by resolution of its governing body in substantially the form attached hereto as <u>Exhibit</u> <u>B</u>. Further, the Solar Participant shall deliver to the Authority an opinion of counsel (such counsel to be reasonably acceptable to the Authority) as to the due authorization, execution and delivery and the enforceability of this Contract, in substantially the form attached hereto as <u>Exhibit C</u>.

7.

#### Default; Remedies for Default.

7.1 <u>Default</u>. Failure of the Solar Participant to timely make to the Authority any of the payments for which provision is made in this Contract shall constitute a default on the part of the Solar

Participant (a "**Default**"). A Default may be cured by the Solar Participant's (i) full payment of any past due amounts owed by the Solar Participant to the Authority pursuant to the terms hereof (the "**Primary Cure Payments**"), (ii) full payment of any interest which has accrued thereon (as referenced in Section 7(c), below) (the "**Interest Cure Payments**"), and (iii) with reference to paragraph (h)(i) of this Section 7, full restoration of the Escrow Amount, unless and until the Authority exercises its rights pursuant to Section 7(h)(iii), below (at which point the Default may no longer be cured).

- 7.2 Continuing Obligation, Right to Discontinue Service. In the event of a Default, the Solar Participant shall not be relieved of its liability for payment of the amounts in default (including interest accrued thereon pursuant to Section 7(c), below), and the Authority shall have the right to recover from the Solar Participant any amount in default (including interest accrued thereon pursuant to Section 7(c), below). In enforcement of any such right of recovery, the 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 Solar Participant, and the Authority may, upon the occurrence of a Default and at the Authority's discretion, cease and discontinue providing all or any portion of the Solar Participant's Entitlement Share.
- Interest on Late Payments. Any amounts that are not paid when due hereunder shall bear interest at the Contract Interest Rate from the date due until paid, which rate shall not exceed the maximum permissible under Georgia law. The defaulting Solar Participant shall be and shall remain solely liable for the payment of any interest arising under this Section 7(c). For purposes of this Contract, the "Contract Interest Rate" shall mean one hundred (100) basis points per annum plus the rate per annum equal to the prime lending rate as may from time to time be published in The Wall Street Journal under "Money Rates" on such day (or if not published on such day on the most recent preceding day on which published); provided that if at any time during the Term, the Wall Street Journal no longer

publishes a prime lending rate, the prime lending rate for purposes of the calculation of the Contract Interest Rate will be average of the prime interest rates which are announced, from time to time, by the three (3) largest banks (by assets) headquartered in the United States which publish a prime, base or reference rate.

- 7.4 Levy of Tax for Payment. In the event of a Default, the Solar Participant shall provide for the assessment and collection of an annual tax sufficient in amount to provide funds annually to make all payments due under the provisions of this Contract in each year over the remainder of the life of this Contract and the Authority shall have the right to bring any suit, action or proceeding in law or in equity, including mandamus and action for specific performance, to enforce the assessment and collection of a continuing direct annual tax upon all the taxable property within the boundaries of the Solar Participant sufficient in amount to provide such funds annually in each year of the remainder of the life of this Contract.
- Other Default by Solar Participant. In the event of a failure of the Solar Participant to establish, maintain, or collect rates or charges adequate to provide revenue sufficient to enable the Solar Participant to pay all amounts due to the Authority under this Contract or in the event of a failure of the Solar Participant to take from the Authority its Supplemental Power in accordance with the provisions of this Contract, or in the event of any default by the Solar Participant under any other covenant, agreement or obligation of this Contract, the Authority may bring any suit, action, or proceeding in law or in equity, including mandamus, injunction and action for specific performance as may be necessary or appropriate to enforce any covenant, agreement or obligation of this Contract against the Solar Participant.
- 7.6 <u>Default by The Authority</u>. In the event of any default by the Authority under any covenant, agreement or obligation of this Contract, the Solar Participant may bring any suit, action, or proceeding in law or in equity, including mandamus, injunction and action for specific performance as

may be necessary or appropriate to enforce any covenant, agreement, or obligation of this Contract against the Authority.

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

## 7.8 Application of Available Remedies.

- (a) In the event of a Default by the Solar Participant pursuant to Section 7(b) hereof, the Authority shall:
- (i) Apply the Escrow Amount (as collected from the Solar Participant pursuant to Section 1.3, above) to the defaulting Solar Participant's unpaid obligations hereunder;
- (ii) Transfer all or any part of the energy generated by the Facility and attributable to the defaulting Solar Participant's Entitlement Share to other Participants or any other person, firm, association or corporation, public or private (such transferee to be determined at the Authority's discretion), for the fair market value of such energy (a "Default Sale"); and
- (iii) Use the proceeds of such Default Sale (net of the Authority's expenses incurred to facilitate such Default Sale) to (A) satisfy the balance of the defaulting Solar Participant's unpaid obligations hereunder and/or (B) to the extent such payment obligations have been fully satisfied pursuant to Section 7(h)(i)(1) and/or this Section 7(h)(i)(3), fully or partially restore the defaulting Solar Participant's Escrow Amount.
- (b) The excess, if any, of the proceeds of the Default Sale (net of the Authority's expenses incurred to facilitate such Default Sale) over the defaulting Solar Participant's unpaid payment

obligations for a particular month (calculated pursuant to Section 1.4 and inclusive of any interest amount accrued pursuant to Section 7(c), above) shall be for the benefit of the non-defaulting Other PPOPs.

(c) Notwithstanding any Default Sale, the defaulting Solar Participant shall remain liable to the Authority for the full payment of the amount reflected on its Billing Statements plus any interest accrued thereon as if such Default Sale had not been made; except that such liability shall be discharged by an amount equal to the proceeds of the applicable Default Sale (net of the Authority's expenses incurred to facilitate such Default Sale). In the event the Solar Participant's Default continues uncured for ninety (90) calendar days or the Solar Participant fails to timely satisfy its payment obligations hereunder for either three (3) consecutive months or five (5) out of eight (8) months, the Authority may sell the defaulting Solar Participant's Entitlement Share to the other Participants or any other person, firm, association or corporation, public or private (such transferee to be determined at the Authority's discretion); provided that, if such a transfer occurs, the defaulting Solar Participant shall remain liable to the Authority for the full payment of the amount attributable to its Entitlement Share plus any interest accrued thereon as if such transfer had not been made; except that such liability shall be discharged to the extent that the Authority receives payment (net of the Authority's expenses incurred in facilitating such transfer) from the transferee.

## 7.9 Obligations with Respect to Defaults of Other PPOPs.

(a) If an Other PPOP (a "Defaulting PPOP") defaults on its payment obligations (the amount of such default the "Default Amount") pursuant to its Other PPC, then the Authority shall pursue its remedies against such Defaulting PPOP as set forth in Section 7(h)(iii) of the Defaulting PPOP's Other PPC (which remedies are identical to the provisions set forth in Section 7(h)(iii) of this Agreement). All of the proceeds generated from the application of such remedies (net of the Authority's expenses incurred in pursuing such remedies) shall be applied to reduce the Default Amount.

- (b) The amount of any remaining Default Amount (calculated without including any interest accrued pursuant to Section 7(c) of the Defaulting PPOP's Other PPC) after application of the remedies described in clause (i), above, is referred to as a "Special Cost Increase." Special Cost Increases shall be allocated among the non-defaulting PPOPs (including the Solar Participant) pro rata based on their Entitlement Shares. The Solar Participant (along with each other non-defaulting Other PPOP) shall be obligated to satisfy its allocable share of the Special Cost Increase; provided that the Solar Participant's share of a Special Cost Increase shall not exceed 25% of the amount otherwise reflected on the Solar Participant's Billing Statement for the month to which the Special Cost Increase is attributable.
- (c) If a Defaulting PPOP cures a default pursuant to Section 8(a) of its Other PPOP subsequent the Solar Participant's (and non-defaulting Other PPOP's) payment of a corresponding Special Cost Increase, then the Authority shall distribute the applicable Primary Cure Payments (as determined pursuant to the Defaulting PPOP's Other PPC) ratably to the non-defaulting PPOPs (including the Solar Participant) who satisfied their ratable share of the Special Cost Increase. Interest Cure Payments attributable to Solar Costs shall be paid by the Authority to the Company in satisfaction of the Authority's obligations under the SPPA. Interest Cure Payments attributable to MEAG Costs shall be distributed to the non-defaulting PPOPs ratably based on their Entitlement Shares.

8.

The Solar Participant shall use commercially reasonable efforts to promptly notify the Authority in writing upon the Solar Participant's receipt of a request for a copy of the SPPA pursuant to the Georgia Open Records Act (O.C.G.A. § 50-14-1, et seq.). Such notification shall be provided prior to the Solar Participant's release of the SPPA.

9.

In witness whereof, the Authority has caused this Contract to be executed in its corporate name by its duly authorized officers and the Authority has caused its corporate seal to be hereunto impressed and attested; the Solar Participant 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 Solar Participant is hereby acknowledged, all as of the day and year first above written.

|         | MUNICIPAL ELECTRIC AUTHORITY OF GEORGIA |
|---------|---|
|         | By:Name: James E. Fuller                |
|         | Title: President and CEO                |
| ATTEST: |   |
| By:     |   |
| Name:   |   |
| Title:  |   |
| (SEAL)  |   |

[Solar Participant Signature is on the next page]

## CITY OF CAMILLA

By: Kelvin M. Owens

Title: Mayor

ATTEST:

By: Cheryl Ford

Title:\_\_

GEORGIA MARINER DESERVED

## EXHIBIT A

## FORM OF SPPA

[Form of SPPA begins on the next page]

## POWER PURCHASE AGREEMENT

## **BETWEEN**

## PINEVIEW SOLAR LLC

## AND

## MUNICIPAL ELECTRIC AUTHORITY OF GEORGIA

\_\_\_\_\_\_, 2021

dated as of

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#### POWER PURCHASE AGREEMENT

THIS POWER PURCHASE AGREEMENT (the "Agreement"), entered into as of this day of \_\_\_\_\_\_2021, is between Pineview Solar LLC (the "Seller"), a Delaware limited liability company, and the Municipal Electric Authority of Georgia (the "Buyer" or "MEAG Power"), a public body corporate and politic and an instrumentality of the State of Georgia, created by provisions of the Municipal Electric Authority Act, Ga. L. 1976, p. 107, as amended (the "Act"). Seller and Buyer are sometimes hereinafter referred to collectively as the "Parties" and individually as a "Party."

#### BACKGROUND RECITALS

WHEREAS, Seller intends to construct, own, operate and maintain an 80 MWac nameplate capacity photovoltaic solar energy generation facility located in Wilcox County, Georgia, which is more fully described on **Exhibit A** (the "Facility");

WHEREAS, pursuant to the Act, the Buyer has entered into one or more Power Sales Contracts, as amended (each, a "Power Sales Contract"), with eligible political subdivisions (each, a "Participant"), for the provision of bulk power and other services to such Participants;

WHEREAS, under the applicable Power Sales Contracts, the Buyer has agreed to obtain for or provide to the Participants Supplemental Bulk Power Supply ("Supplemental Power");

WHEREAS, the Act authorizes the Buyer to execute power purchase contracts and other agreements with publicly or privately owned entities in order to provide or make available an adequate, dependable, and economical supply of energy and related services to its Participants;

WHEREAS, in accordance with the applicable Power Sales Contracts and the Buyer's Supplemental Power Supply Policy, certain Participants (the "Solar Participants") have requested that the Buyer purchase from the Seller power, output and services of the Facility to provide Supplemental Power to the Solar Participants;

WHEREAS, in order to make Supplemental Power generated by the Facility available to the Solar Participants, each Solar Participant has, or will enter into a Power Purchase Contract with the Buyer (each, a "PPC") under which such Solar Participant shall obtain its Entitlement Share of the Products (hereinafter defined) and incur its respective share of the payment obligations hereunder; each Solar Participant's payment obligations under its PPC are general obligations to the payment of which its full faith and credit are pledged, obligating such Solar Participant to provide for the assessment and collection of an annual tax sufficient in amount to provide funds annually to make all payments when due thereunder; and

WHEREAS, Seller desires to sell and deliver to Buyer for sale to its Solar Participants, and Buyer desires to purchase and receive from Seller, the Products (as such term is hereinafter defined) associated with the Contract Amount as defined herein, in each case, generated by the Facility, all in accordance with the terms and conditions hereof.

NOW, THEREFORE, in consideration of the foregoing and the mutual promises set forth below and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties, intending to be legally bound, mutually agree as follows:

# SECTION 1 DEFINITIONS; RULES OF INTERPRETATION

- 1.1 <u>Defined Terms</u>. Unless otherwise required by the context in which any term appears, initially capitalized terms used herein shall have the following meanings:
- "Acceptable Credit Rating" means, with respect to Seller, having a Credit Rating of no less than (as applicable): (a) "BBB-" from S&P, or (b) "Baa3" from Moody's.
- "Acceptable REC Registry" means the North American Renewables Registry or any other registry as mutually agreed to by the Parties.
  - "Act" is defined in the Preamble.
- "Actual Capacity" means the maximum installed instantaneous generation capacity of the completed Facility at which the Facility can operate during the first Contract Year of operation, and as adjusted thereafter for degradation, expressed in MWac as measured on the AC side of the inverters, when operated in compliance with the Generation Interconnection Agreement and consistent with the operating parameters provided by the manufacturer of the Facility equipment.
- "Affiliate" means, with respect to any entity, each entity that directly or indirectly controls, is controlled by, or is under common control with, such designated entity, with "control" meaning the possession, directly or indirectly, of the power to direct the management and policies, whether through the ownership of voting securities (if applicable) or by contract or otherwise.
- "Agreement" is defined in the preamble and includes Exhibits A F, Exhibits 1 and 2, and any amendments hereto that are executed by the Parties.
- "Ancillary Services" means the services associated with the Contract Amount that the Facility is capable of providing, without any modifications to the Facility or the Seller's operation of the Facility, to support the transmission of capacity and energy from generation resources to loads while maintaining the reliable operation of the GITS.
- "Applicable Law" means any applicable federal, state and local law, statute, regulation, rule, action, order, tariff, code or ordinance enacted, adopted, issued or promulgated by any federal, state, local or other Governmental Authority or regulatory body.
- "Business Day" means any day Monday through Friday from 9 a.m. to 5 p.m. Eastern Prevailing Time excluding nationally recognized public holidays.
- "Buydown Liquidated Damages" means an amount equal to the product of (a) the positive difference between (i) the Contract Amount and (ii) the Actual Capacity of the Facility as of the Outside Commercial Operation Date and (b) \$50,000 per MWac. To be clear, if the difference is negative, the Buydown Liquidated Damages is zero dollars (\$0).

"Buyer" is defined in the preamble.

"Buyer Initiated Curtailment" means a scenario in which production and/or deliveries of Net Output from the Facility is curtailed due to an act or omission of Buyer.

"Buyer Indemnitees" is defined in Section 12.1.1.

"Buyer's Cost to Cover" means the product of (a) Buyer's replacement cost for Products (including any charge, cost or expense incurred to import the Products) during the Performance Measurement Period for which the determination is being made, as reasonably determined by Buyer, minus the Contract Price during the Performance Measurement Period, and (b) the Minimum Production Guarantee for such Performance Measurement Period, minus the Net Output for such Performance Measurement Period determined in accordance with Section 6.10.1, which will include all Deemed Delivered Output and Deemed Generated Energy from Curtailments during such Performance Measurement Period (such amount under this clause (b) being the "Deficient Quantity"). If the calculation in clause (a) renders a negative number, then the amount under this clause (a) shall be \$0.00. An Example illustrating the calculation of Buyer's Cost to Cover under certain stated assumptions is set forth in Exhibit D.

"Capacity Rights" means any current or future defined characteristic, certificate, benefit, product, tag, credit, attribute, or accounting construct, including any of the same counted towards any current or future resource adequacy or reserve requirements, associated with the electric generation capability and capacity of the Actual Capacity from the Facility, or from the Facility's capability and ability to produce energy. Capacity Rights do not include Environmental Attributes, Ancillary Services or any Tax Credits.

"Cash Deposit" means United States currency, deposited with a Qualified Issuer in an interest bearing account, in which Buyer holds a first and exclusive perfected security interest pursuant to an escrow agreement, account control agreement or other agreement, either: (i) in an account under which Buyer is designated as beneficiary with sole authority to withdraw cash from the account or otherwise access the funds in the account; or (ii) held in trust by the Qualified Issuer as escrow agent with instructions to pay claims made by Buyer pursuant to this Agreement.

"Change in Law" is defined in Section 14.6.

"Commercial Operation" means that not less than the Required Percentage of the Contract Amount is fully operational and reliable and is fully interconnected and synchronized with the GITS, which occurs when all of the following events have occurred:

- a. Seller shall have entered into a Generation Interconnection Agreement with Transmission Owner;
- b. Buyer shall have received a certificate addressed to Buyer from an officer of Seller certifying that: (i) the Nameplate Capacity of the Facility is at least equal to the Required Percentage of the Contract Amount; (ii) the Facility is able to generate electric power reliably in accordance with the terms and conditions of this Agreement and the Generation Interconnection Agreement; and (iii) all Permits to construct and/or operate the Facility in compliance with all

Applicable Law and this Agreement have been obtained and are in full force and effect, other than Permits which would not adversely affect Seller's ability to operate the Facility;

- c. Buyer shall have received a certificate addressed to Buyer from a Licensed Professional Engineer certifying that: (i) in accordance with the Generation Interconnection Agreement, all required Interconnection Facilities have been constructed; (ii) all required interconnection tests have been completed; and (iii) not less than the Required Percentage of the Contract Amount is physically interconnected with the GITS in accordance with the Generation Interconnection Agreement and synchronized with the GITS;
- d. Seller has provided the Seller Credit Support to Buyer as required pursuant to Section 8.1; and
- e. No Seller Event of Default is outstanding or remains uncured in accordance with Article 11.

"Commercial Operation Date" means the date that Commercial Operation is achieved or deemed achieved pursuant to Section 2.7.

"Confidential Information" is defined in Section 24.1.

"Construction Credit Support" means a Letter of Credit, Cash Deposit, or Guaranty, or a combination thereof, provided by Seller for the benefit of Buyer in an amount equal to Three Million Dollars (\$3,000,000).

"Contract Amount" means 80 MWac. In the case that Buydown Liquidated Damages are paid by Seller, the Contract Amount shall be adjusted as of the Outside Commercial Operation Date pursuant to Section 2.2.3.

"Contract Interest Rate" means one hundred (100) basis points per annum plus the rate per annum equal to the prime lending rate as may from time to time be published in The Wall Street Journal under "Money Rates" on such day (or if not published on such day on the most recent preceding day on which published); provided that if at any time during the Term, the Wall Street Journal no longer publishes a prime lending rate, the prime lending rate for purposes of the calculation of the Contract Interest Rate will be average of the prime interest rates which are announced, from time to time, by the three (3) largest banks (by assets) headquartered in the United States which publish a prime, base or reference rate.

"Contract Price" means \$25.91 per MWh.

"Contract Year" means each consecutive twelve (12) month period during the Term that commences with the Commercial Operation Date or one of its anniversaries, provided that if this Agreement is terminated prior to its expiration, the Contract Year in which termination occurs will begin on the anniversary of the Commercial Operation Date immediately preceding the termination date (or if such termination occurs during the first Contract Year, on the Commercial Operation Date) and will end on the date of the termination of this Agreement.

"Costs" means, with respect to the non-defaulting Party, brokerage fees, commissions and other similar third party transaction costs and expenses reasonably and actually incurred by such Party either in terminating any arrangement pursuant to which it has hedged its obligations (which, for the sake of clarity, does not include the non-defaulting Party's losses or gains with respect to any such hedging arrangement) or entering into new arrangements which replace this Agreement (including costs incurred in connection with transmission services that would otherwise not have been incurred hereunder), and to the extent permitted by Georgia law, all reasonable attorneys' fees and expenses incurred by the non-defaulting Party in connection with remedies initiated pursuant to the provisions of this Agreement.

"Credit Rating" means the rating then assigned to Seller's senior, unsecured long-term debt obligations (not supported by third party credit enhancements) or if Seller does not have a rating for its senior, unsecured long-term debt, then the rating assigned to Seller as an issuer rating by S&P, Moody's or any other rating agency agreed to by Buyer.

"Deemed Delivered Output" is defined in Section 4.4.2.

"Deemed Generated Energy from Curtailments" is defined in Section 4.4.1.

"Defaulting Solar Participant" means a Solar Participant that fails to timely make payments to Buyer pursuant to the terms of its PPC.

"Deficient Quantity" is defined in the definition of "Buyer's Cost to Cover."

"Delay Damages" means the damages payable by Seller, under the circumstances and subject to the limits described in Sections 2.2.1 or 2.2.2, which for any given day are equal to the product of Fifty Dollars (\$50) per MWac and the Nameplate Capacity of the Facility required to deliver the Contract Amount.

"DSP Failure" means the default listed in Sections 11.1.3(a)(2).

"Effective Date" is defined in Section 2.1.

"Electric System Authority" means each of NERC, a regional or sub-regional reliability council or authority, and any other similar council, corporation, organization or body of recognized standing with respect to the operations of the electric system in the geographic area in which the Facility is located.

"Entitlement Share" means the portion, measured in MWac, of the Contract Amount to which a Solar Participant is entitled pursuant to its PPC.

"Entitlement Share Percentage" means a percentage, calculated with respect to each Solar Participant by dividing such Solar Participant's Entitlement Share by the Contract Amount. The sum of each Solar Participant's Entitlement Share Percentage shall equal 100%.

"Emergency" means an abnormal GITS condition requiring manual or automatic action to maintain GITS frequency, or to prevent loss of firm load, equipment damage, or tripping of system

elements that could adversely affect the reliability of an electric system or the safety of persons or property or a condition that requires implementation of emergency procedures.

"Environmental Attributes" means any and all current and future attributes, claims, credits, benefits, emissions reductions, offsets, and allowances, howsoever entitled that are created or otherwise arise from the existence, ownership, or operation of the Facility associated with the Net Output, resulting from the avoidance of the emission of any gas, chemical, or other substance to the air, soil or water. Environmental Attributes include, but are not limited to, the following (a) RECs, (b) any avoided emissions of pollutants to the air, soil, or water such as (subject to the foregoing) sulfur oxides, nitrogen oxides, carbon monoxide, and other pollutants; and (c) any avoided emissions of carbon dioxide, methane, and other greenhouse gases as defined by U.S. laws or regulations as of the Effective Date or as they may be modified during the Term. Environmental Attributes do not include (i) the Tax Credits or any local, state or federal cash grants, depreciation deductions or other tax credits providing a tax benefit to Seller or any other Person based on ownership of, or energy production from, any portion of the Facility or (ii) cash grants, depreciation deductions and other tax benefits arising from ownership or operation of the Facility. In the case of each of the foregoing clauses (i) and (ii), as between the Parties, Seller shall maintain all rights, title and interest in and to such items.

"Event of Default" is defined in Section 11.1.

"Example" means an example of certain calculations to be made hereunder. Each Example is for purposes of illustration only and is not intended to constitute a representation, warranty or covenant concerning the matters assumed for purposes of each Example.

"Expected Annual Production" means the expected production from the Contract Amount for each Contract Year as set forth in Exhibit B.

"Facility" is defined in the Recitals and is more fully described in attached Exhibit A.

"FERC" means the Federal Energy Regulatory Commission or its successor.

"Final Completion Date" means the earlier of (a) the Date on which the Facility achieves Commercial Operation with respect to one hundred percent (100%) of the Contract Amount required to deliver the Contract Amount or (b) if Buydown Liquidated Damages are paid pursuant to Section 2.2.3, the Outside Commercial Operation Date.

"Financing Party" means any Person other than a Seller Affiliate (or any trustee or agent on behalf of such Person) lending money or extending credit (including any financing lease, monetization of tax benefits, transaction with a tax equity or cash equity investor, back-leverage financing or credit derivative arrangement) to Seller or its Affiliates, all or a portion of which is used (a) for the construction, term or permanent funding, financing or refinancing of the Facility; (b) for working capital or other ordinary business requirements for the Facility (including for the maintenance, repair, replacement or improvement of the Facility); or (c) for any development funding, financing, bridge financing, credit support, credit enhancement or interest rate protection in connection with the Facility.

"Financing Party Consent or Estoppel" means (a) a collateral assignment consent agreement, to be entered into by Seller, Buyer and Seller's Financing Parties, in a form reasonably agreed by such parties and containing customary terms and conditions, that recognizes and consents to (i) Seller's collateral assignment of rights and obligations under this Agreement and (ii) the Financing Parties' rights to be notified of, and allowed to cure, any breach or default of this Agreement by Seller, and to exercise, subject to the notice, cure rights, and remedies provisions of this Agreement, any step-in rights consented to by Seller, and other customary terms as reasonably may be requested by such Financing Parties or (b) other agreements with Financing Parties reasonably requested by such Financing Parties, containing customary terms and conditions, including an estoppel certificate or other agreements with Financing Parties reasonably requested by such Financing Parties, in a form reasonably agreed by such parties and containing customary terms and conditions for tax equity or cash equity investors.

"Force Majeure" is defined in Section 14.1.

"Forced Outage" means any unplanned outage or derating of the Facility that results in the reduction of, cessation in the delivery of, or inability to deliver the Products, and specifically includes NERC Event Types U1, U2 and U3, as set forth in attached Exhibit C (or similar successor unplanned outages if NERC terminology or concepts are revised during the Term of this Agreement), and specifically excludes any Maintenance Outage or Planned Outage.

"GAAP" means generally accepted accounting principles in the United States of America as in effect from time to time.

"Gains" means, with respect to a non-defaulting Party, an amount equal to the present value of the economic benefit to it, if any (exclusive of Costs), resulting from the termination of this Agreement, determined in a commercially reasonable manner. Gains shall be measured on the basis of one hundred percent (100%) of the Expected Annual Production for each Contract Year (or portion thereof) during the remainder of the Term (ignoring any early termination of this Agreement).

"Generation Interconnection Agreement" means that certain Large Generator Interconnection Agreement by and between Seller and Transmission Owner, and any amendments thereto, containing terms and conditions governing the interconnection and parallel operation of the Facility with GITS.

"Georgia Integrated Transmission System (GITS)" means that statewide transmission system jointly owned by MEAG Power, Georgia Transmission Corporation, Dalton Utilities and Georgia Power. Individual transmission lines and substations that make up the GITS are owned and maintained by the individual participants but they are planned and operated as one system, providing each owner with transmission access throughout Georgia.

"Good Industry Practice(s)" means any applicable practices, methods, and acts engaged in or approved by a significant portion of the electric industry for construction, interconnection and operation of facilities similar to the Facility during the relevant time period, or the practices, methods and acts which, in the exercise of reasonable judgment by a prudent solar energy generation operator in light of the facts known or which should reasonably have been known at

the time the decision was made, could have been expected to accomplish the desired result consistent with good business practices, manufacturers' recommendations, reliability, safety, expedition, Applicable Law and the requirements of any Governmental Authority having jurisdiction. "Good Industry Practices" is not intended to be limited to the optimum practice, method or act to the exclusion of all others, but rather is intended to include the acceptable practices, methods or acts generally accepted by the photovoltaic solar generating industry for facilities similar to the Facility during the relevant time period.

"Governmental Authority" means any supranational, federal or state authority or other political subdivision thereof, having jurisdiction over Seller, Buyer, the Facility or this Agreement, including any municipality, township or county, and any entity or body exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government, including any corporation or other entity owned or controlled by any of the foregoing. An Electric System Authority shall also be considered to be a Governmental Authority.

"Green-e Renewable Energy Standard" means the Green-e Renewable Energy Standard Version 3.3, or successor version.

"Guaranteed Commercial Operation Date" means December 31, 2023, provided that the Guaranteed Commercial Operation Date shall be extended on a day-for-day basis for each day of delay in Seller's development, permitting, construction, interconnection or completion of the Facility associated with (a) the occurrence of a Force Majeure event, (b) a breach by Buyer of any of its obligations under this Agreement, (c) the occurrence of an Emergency condition, or (d) a delay in the in-service date of the Interconnection Facilities beyond the expected date set forth in the Generation Interconnection Agreement, including as a result of a delay in the completion of any Network Upgrades, provided that such delay is not the result of Seller's failure to perform its obligations under the Generation Interconnection Agreement.

"Guarantor" means a Person that has issued a Guaranty and (a) has an Acceptable Credit Rating or (b) has otherwise been approved by Buyer, in Buyer's reasonable discretion, in the case of a Guaranty that is provided as Seller Credit Support.

"Guaranty" means a guaranty of payment (and not performance) issued by a Guarantor substantially in the form attached hereto as Exhibit F-1 or otherwise in form and substance satisfactory to Buyer, in Buyer's reasonable discretion; it being acknowledged and agreed that, in the event Seller is obligated to post Seller Credit Support pursuant to the terms of this Agreement and Buyer is not satisfied with the form and substance of the proposed Guaranty (in Buyer's reasonable discretion), the Seller shall nevertheless be obligated to post the required Seller Credit Support by means of a Letter of Credit or Cash Deposit.

"Interconnection Facilities" means all the facilities installed, or to be installed, for the purpose of interconnecting the Facility to the GITS, including electrical transmission lines, line upgrades, transformers, capacitor banks, inductor banks, metering, telecommunications, and associated equipment, substations, relay and switching equipment, and safety equipment, including any Network Upgrades.

"Internal Revenue Code" means the Internal Revenue Code of 1986, as such law may be amended or superseded.

"Involuntary Curtailment" is defined in Section 4.4.1.

"ITCs" means the investment tax credits established pursuant to Section 48 of the Internal Revenue Code, as such law may be amended or superseded.

"kWh" means kilowatt hour.

"Letter of Credit" means an unconditional, irrevocable letter of credit issued by a Qualified Issuer either (a) substantially in the form of the letter of credit attached hereto as Exhibit E or (b) otherwise in form and substance satisfactory to Buyer, in Buyer's reasonable discretion, in the case of a Letter of Credit provided as Seller Credit Support

"Liabilities" is defined in Section 12.1.1.

"Licensed Professional Engineer" means a Person proposed by Seller and acceptable to Buyer in its reasonable judgment who (a) is licensed to practice engineering in the United States, and in all States for which such Person is providing a certification, evaluation or opinion with respect to matters specific to such State, (b) has no economic relationship or association with Seller or Buyer other than services previously or currently being rendered to Seller or Buyer or their respective Affiliates in a capacity similar to the services being provided by such Person in relation to the Facility, and (c) is not a representative of Seller or Buyer or a manufacturer or supplier of any equipment installed in the Facility.

"Losses" means, with respect to a non-defaulting Party, an amount equal to the present value of the economic loss to it, if any (exclusive of Costs), resulting from termination of this Agreement, determined in a commercially reasonable manner. Losses shall be measured on the basis of one hundred percent (100%) of the Expected Annual Production for each Contract Year (or portion thereof) during the remainder of the Term (ignoring any early termination of this Agreement).

"Maintenance Outage" means any planned outage of the Facility for maintenance that occurs before the next regularly scheduled Planned Outage, which results in reduction of, cessation in the delivery of, or inability to deliver, the energy associated with the Actual Capacity to the Point of Delivery, and specifically includes NERC Event Type MO, as set forth in attached Exhibit C (or similar successor planned maintenance outages if NERC terminology or concepts are revised during the Term of this Agreement), and specifically excludes a Forced Outage or a Planned Outage.

"MEAG Power" is defined in the Preamble.

"Minimum Production Guarantee" is defined in Section 6.10.1.

"Moody's" means Moody's Investors Service, Inc. or its successor.

"MW" means megawatt.

"MWac" means megawatts (associated with output, rating or capacity of a solar PV facility) as measured after conversion of the direct current into alternating current by the Facility invertors.

"MWh" means megawatt hour.

"Nameplate Capacity" means, as of any date, the aggregate installed nameplate capacity of the Facility, expressed in MWac, as of such date.

"NERC" means the North American Electric Reliability Corporation or its successor.

"Net Output" means, for any period, the amount of energy generated by the Facility and delivered to the Point of Delivery, as measured by the Revenue Meter (it being understood that all electrical energy produced by the Facility, excluding line losses and Station Use, shall be delivered to the Point of Delivery).

"Network Upgrades" means any upgrades to the GITS that are required in order to provide interconnection service for the Facility and for which the Facility is allocated costs under the Generation Interconnection Agreement or any affected system agreement with an adjoining electric transmission system owner or operator.

"Notice to Proceed Date" means the date on which notice is issued by Seller to its contractor under the engineering, procurement and construction agreement or similar contract relating to the construction of the Facility, authorizing and directing the full and unrestricted commencement of construction of the Facility. The Notice to Proceed Date shall occur on or before October 1, 2022.

"Output" means all energy produced by the Facility.

"Outside COD Termination Payment" is defined in Section 2.2.2.

"Outside Commercial Operation Date" means the date that is three hundred and sixty-five (365) days after the Guaranteed Commercial Operation Date.

"Participant" is defined in the Preamble.

"Party" and "Parties" are defined in the Preamble.

"Performance Measurement Period" means the full one (1) Contract Year period commencing on the first day of the first Contract Year and the full one (1) Contract Year period commencing on each subsequent Contract Year.

"Permits" means all of the permits, licenses, approvals, certificates, entitlements and other authorizations issued by Governmental Authorities required for the construction, ownership or operation of the Facility, sale and delivery of Net Output, and occupancy of the Premises, and all amendments, modifications, supplements, general conditions and addenda thereto.

"Person" means any individual, corporation, company, voluntary association, partnership, joint venture, trust, limited liability company, unincorporated organization or Governmental Authority.

"Planned Outage" means any regularly scheduled planned outage of the Facility for maintenance, repair or other purposes, which results in the reduction of, cessation in the delivery of, or inability to deliver energy associated with more than ten percent (10%) of the Actual Capacity of the Facility to the Point of Delivery, and specifically includes NERC Event Type PO, as set forth in attached Exhibit C (or similar successor planned outages, if NERC terminology or concepts are revised during the Term of this Agreement), and specifically excludes any Maintenance Outage or Forced Outage.

"Point of Delivery" means the point of interconnection between the Facility and the GITS as specified in the Generation Interconnection Agreement, and is described in attached Exhibit A.

"Power Sales Contract" is defined in the Preamble.

"PPC" is defined in the Preamble.

"Pre-Construction Credit Support" means a Letter of Credit, Cash Deposit, Guaranty, or a combination thereof, as determined by Seller, provided by Seller for the benefit of Buyer in an amount equal to One and One Half Million Dollars (\$1,500,000).

"Premises" means the real property on which the Facility is or will be located, as more fully described on Exhibit A.

"Prevailing Time" or "PT" means Eastern Standard Time or Eastern Daylight Time, as applicable on the day in question.

"Products" means the Net Output, Environmental Attributes, Capacity Rights and Ancillary Services.

"Qualified Issuer" means a U.S. commercial bank (or a foreign bank with a U.S. branch) authorized under Applicable law to perform the actions described in this Agreement for the benefit of the Buyer and having total assets of at least ten billion dollars (\$10,000,000,000) and a Credit Rating of no less than (as applicable): (a) "A-" from S&P, or (b) "A3" from Moody's, or (c) if such bank has a Credit Rating at such time from both S&P and Moody's, "A-" from S&P and "A3" from Moody's.

"REC" or "Renewable Energy Credit" shall mean tradable renewable energy credits that contain all the greenhouse gas (GHG) emissions reduction benefits, including carbon dioxide (CO2) reduction benefits, associated with the MWh of renewable electricity when it was generated and are therefore eligible to be certified (whether or not actually certified) in accordance with the Green-e Renewable Energy Standard.

"Required Facility Documents" means all Permits, authorizations, rights and agreements reasonably necessary for construction, operation, and maintenance of the Facility.

"Required Percentage" means ninety-five percent (95%).

"Revenue Meter" means the meter installed at the Point of Delivery in order to measure the energy delivered by the Facility.

"ROFR Notice" is defined in Section 6.6.

"S&P" means Standard & Poor's Financial Services, LLC (a subsidiary of The McGraw-Hill Companies, Inc.) or its successor.

"Seller" is defined in the preamble.

"Seller Credit Support" means (a) for the period commencing ten (10) Business Days after the Effective Date and ending ten (10) days after the issuance of the Notice to Proceed, the Pre-Construction Credit Support, (b) for the period commencing ten (10) days after the issuance of the Notice to Proceed and ending on the day before the Commercial Operation Date, the Construction Credit Support, (c) for the period commencing on the Commercial Operation Date and ending on the last day before the tenth (10<sup>th</sup>) Contract Year (or, if earlier, the termination of this Agreement and the payment of all amounts owed to Buyer hereunder), the Subsequent Credit Support Tier I, and (d) for the period commencing on the first day of the 11<sup>th</sup> Contract Year and lasting until the expiration or termination of this Agreement and the payment of all amounts owed to Buyer hereunder, the Subsequent Credit Support Tier II.

"Seller Indemnitees" is defined in Section 12.1.2.

"Solar Participant(s)" is defined in the Preamble and is further defined to mean each of Buyer's Participants that hold an Entitlement Share to the Products pursuant to a PPC between the Solar Participant and Buyer. The Solar Participants and their respective Entitlement Share Percentages, are set forth on Schedule 1, attached hereto.

"Station Use" means energy produced by the Facility used to operate the Facility or to perform preventative or corrective maintenance to the Facility.

"Subsequent Credit Support Tier I" means a Letter of Credit, Cash Deposit, Guaranty, or a combination thereof, provided by Seller for the benefit of Buyer in an amount equal to Four Million Dollars (\$4,000,000).

"Subsequent Credit Support Tier II" means a Letter of Credit, Cash Deposit, Guaranty, or a combination thereof, provided by Seller for the benefit of Buyer in an amount equal to Three Million Dollars (\$3,000,000).

"Supplemental Power" is defined in the Background Recitals.

"Supplemental Power Supply Policy" means that certain policy regarding Supplemental Power Supply adopted by Buyer on March 17, 1999, as revised and adopted on October 20, 1999, and as further revised and adopted on September 19, 2002.

"Tax Credits" means any state, local and/or federal production tax credit, tax deduction, and/or investment tax credit specific to the production of renewable energy and/or investments in renewable energy facilities, including ITCs.

"Term" is defined in Section 2.1.

"Termination Payment" means, with respect to a Party, the positive difference, if any, between (a) Losses and Costs incurred by such Party as a result of termination of this Agreement, less (b) Gains of such Party as a result of termination of this Agreement, expressed in U.S. dollars. If the Termination Payment calculation results in a number less than or equal to zero dollars (\$0), the Termination Payment shall be zero dollars (\$0).

"Test Energy" means any Net Output during periods prior to the Commercial Operation Date and any associated Capacity Rights.

"Transmission Owner" means MEAG Power or any successor that owns the transmission lines, Interconnection Facilities (other than those Interconnection Facilities owned by Seller) and other equipment and facilities with which the Facility interconnects at the Point of Delivery.

### 1.2 Rules of Interpretation.

- 1.2.1 General. Terms used in this Agreement but not specifically defined in this Section 1 shall have meanings as commonly used in the English language and, where applicable, in Good Industry Practices. Words not otherwise defined herein that have well known and generally accepted technical or trade meanings are used in accordance with such recognized meanings. Unless otherwise required by the context in which any term appears, (a) the singular includes the plural and vice versa; (b) references to "Articles," "Sections," "Schedules," "Annexes," "Appendices" or "Exhibits" are to articles, sections, schedules, annexes, appendices or exhibits hereof; (c) all references to a particular entity include a reference to such entity's successors; (d) "herein," "hereof" and "hereunder" refer to this Agreement as a whole; I all accounting terms not specifically defined herein shall be construed in accordance with GAAP consistently applied; (f) the masculine includes the feminine and neuter and vice versa; (g) "including" means "including, without limitation" or "including, but not limited to"; and (h) all references to a particular law or statute means that law or statute, as amended from time to time.
- 1.2.2 Terms Not to be Construed For or Against Either Party. Each term hereof shall be construed simply according to its fair meaning and not strictly for or against either Party. The Parties have jointly prepared this Agreement, and no term hereof shall be construed against a Party on the ground that the Party is the author of that provision.
- 1.2.3 Headings. The headings used for the sections and articles hereof are for convenience and reference purposes only and shall in no way affect the meaning or interpretation of the provisions hereof.
- 1.2.4 Examples. Example calculations and other Examples set forth herein are for purposes of illustration only and are not intended to constitute a representation, warranty or covenant concerning the Example itself or the matters assumed for purposes of such Example. If there is a conflict between an Example and the text hereof, the text shall control.

1.2.5 Agreement is a Service Contract. The Parties acknowledge and agree that this Agreement is a service contract within the meaning of Section 7701(e) of the Internal Revenue Code.

# SECTION 2 TERM; FACILITY DEVELOPMENT

- 2.1 <u>Term.</u> This Agreement is entered into as of the date hereof (the "Effective Date") and, unless earlier terminated as provided herein, shall remain in effect until the end of the twentieth (20th) Contract Year (the "Term").
  - 2.2 Facility Construction and Delay Damages and Buydown Liquidated Damages.
- 2.2.1 Seller shall use commercially reasonable efforts to achieve Commercial Operation on or before the Guaranteed Commercial Operation Date. Seller shall pay Delay Damages to Buyer for each day after the Guaranteed Commercial Operation Date through the Commercial Operation Date unless the Agreement is terminated pursuant to Section 2.2.2.
- 2.2.2 If the Commercial Operation Date has not been achieved on or before the Outside Commercial Operation Date, Buyer may terminate this Agreement by written notice to other Party on or before the tenth (10th) day following the Outside Commercial Operation Date. If Buyer elects to terminate this Agreement pursuant to this Section 2.2.2, (a) this Agreement shall terminate and thereafter have no force or effect, (b) Seller shall owe to Buyer liquidated damages equal to the amount of the Construction Credit Support required as of such date, reduced by the aggregate amount of all damages or payments (including Delay Damages) paid by Seller to Buyer on or before such date (the "Outside COD Termination Payment"), and (c) neither Party shall have any further obligations or liabilities hereunder.
- 2.2.3 If Commercial Operation is declared before the Facility is capable of delivering the full Contract Amount, Seller shall use commercially reasonable efforts to cause the Facility to reach the capability of delivering the full Contract Amount. If the Facility has not reached the capability of delivering the full Contract Amount on or before the Outside Commercial Operation Date, Seller shall pay to Buyer liquidated damages in the amount of the Buydown Liquidated Damages, in which case the Contract Amount shall, for the remainder of the Term, be equivalent to the Actual Capacity of the Facility as of the Outside Commercial Operation Date.
- 2.3 <u>Damages Calculation</u>. Each Party agrees and acknowledges that (a) the damages that Buyer would incur due to Seller's failure to achieve Commercial Operation by the Guaranteed Commercial Operation Date or due to the Actual Capacity of the Facility being less than that required to deliver the full Contract Amount as of the Outside Commercial Operation Date would be difficult or impossible to predict with certainty, and (b) it is impractical and difficult to assess actual damages in the circumstances stated, and therefore the Delay Damages, Outside COD Termination Payment, and Buydown Liquidated Damages, as agreed to by the Parties and set forth herein, are a fair and reasonable calculation of such damages. Delay Damages, the Outside COD Termination Payment, and Buydown Liquidated Damages shall be payable in lieu of actual damages and, notwithstanding any other provision of this Agreement:

- (i) the Buyer's right to terminate this Agreement and receive the Outside COD Termination Payment pursuant to Section 2.2.2 shall be Buyer's sole and exclusive remedy and Seller's sole and exclusive liability for any failure to achieve Commercial Operation by the Outside Commercial Operation Date. For the avoidance of doubt, such failure shall not be considered an Event of Default; and
- (ii) Buydown Liquidated Damages shall be Buyer's sole and exclusive remedy and Seller's sole and exclusive liability for the Actual Capacity of the Facility being less than the Contract Amount as of the Outside Commercial Operation Date. For the avoidance of doubt, such failure shall not be considered an Event of Default.
- 2.4 <u>Delay Damages Invoicing</u>. By the fifteenth (15th) day following the end of a calendar month in which any Delay Damages have accrued, Buyer shall deliver to Seller an invoice showing Buyer's computation of Delay Damages and any amount due Buyer in respect thereof for the preceding calendar month. No later than thirty (30) days after issuance of such an invoice, Seller shall pay to Buyer, by wire transfer of immediately available funds to an account specified in writing by Buyer or by any other means agreed to by the Parties in writing from time to time, the undisputed amount set forth as due in such invoice.
- 2.5 Quarterly and Monthly Reports. From the Effective Date until thirty (30) days following the Final Completion Date:
  - (a) On or before the fifteenth (15<sup>th</sup>) day of each calendar quarter prior to the Notice to Proceed Date, commencing with the first full calendar quarter beginning after the Effective Date, Seller shall provide a quarterly status report containing the information set forth in Exhibit 1; and
  - (b) On or before the fifteenth (15<sup>th</sup>) day of each calendar month commencing with the calendar month next following the calendar month in which the Notice to Proceed Date occurs, Seller shall provide a monthly status report containing the information set forth in Exhibit 1.

Upon Buyer's reasonable request, representatives of Seller and Buyer shall schedule and attend telephone or in person conferences periodically during such period to discuss the status of (i) the development, construction and installation of the Facility and (ii) the achievement of Commercial Operation. Also, upon Buyer's request, Seller will facilitate Buyer's onsite inspection and monitoring of construction activities in accordance with and subject to Section 6.11.

- 2.6 <u>Tax Credits</u>. Seller shall bear all risks, financial and otherwise, throughout the Term, associated with Seller's or the Facility's eligibility to receive ITCs or other Tax Credits, or to qualify for accelerated depreciation for Seller's accounting, reporting or tax purposes.
- 2.7 <u>Commercial Operation</u>. Seller shall provide written notice to Buyer stating when Seller believes that Commercial Operation has been achieved and the Actual Capacity of the Facility that will be provided to Buyer at such time together with (a) if applicable, Seller's statement of the Actual Capacity of the Facility that Seller intends to complete but that is not yet completed and (b) the certificates described in the definition of Commercial Operation. Buyer shall have ten (10) Business Days after receipt of such notice to state with specificity any

requirements that Buyer reasonably believes have not been satisfied. If, within such ten (10) Business Day period, Buyer does not respond or Buyer notifies Seller confirming that Commercial Operation has been achieved, the original date of receipt of Seller's written notice shall be the Commercial Operation Date. If Buyer notifies Seller within such five (10) Business Day period that Buyer believes Commercial Operation has not been achieved, Seller shall address the concerns stated in Buyer's notice, and Commercial Operation shall occur on the date such concerns are addressed to the mutual satisfaction of both Parties, as specified in a notice from Buyer to Seller, or as otherwise determined pursuant to the dispute resolution provisions set forth in Section 23. The Parties agree that review and approval of the conditions to Commercial Operation may occur on an ongoing and incremental basis as such conditions are satisfied.

# SECTION 3 REPRESENTATIONS AND WARRANTIES

- 3.1 <u>Mutual Representations and Warranties</u>. Each Party represents and warrants to the other that, as of the Effective Date:
- 3.1.1 Organization. It is duly organized and validly existing under the laws of the jurisdiction of its organization.
- 3.1.2 Authority. It (a) has the requisite power and authority to enter into this Agreement, (b) has, or as of the requisite time will have, all regulatory and other authority necessary to perform hereunder, and (c) is duly qualified and in good standing under the laws of each jurisdiction where its ownership, lease or operation of property or the conduct of its business requires such qualification.
- 3.1.3 Corporate Actions. It has taken all corporate, limited liability company or other applicable actions, including provision of notice, required to be taken by it to authorize the execution, delivery and performance hereof and the consummation of the transactions contemplated hereby.
- 3.1.4 No Contravention. The execution, delivery and performance and observance hereof by it of its obligations hereunder do not (a) contravene any provision of, or constitute a default under, (i) any indenture, mortgage, security instrument or undertaking, or other material agreement to which it is a party or by which it is bound, (ii) any valid order of any court, or any regulatory agency or other body having authority to which it is subject, or (iii) any material Applicable Law presently in effect having applicability to it, or (b) require the consent or approval of, or material filing or registration with, any Governmental Authority or other Person other than such consents or approvals that are not yet required but expected to be obtained in due course.
- 3.1.5 Valid and Enforceable Agreement. This Agreement is a valid and legally binding obligation of it, enforceable against it in accordance with its terms, except as the enforceability hereof may be limited by Georgia law, including the Act, and general principles of equity or bankruptcy, insolvency, bank moratorium or similar laws affecting creditors' rights generally, laws restricting the availability of equitable remedies, and limitations on legal remedies against public bodies corporate and politic of the State of Georgia.

- 3.1.6 Litigation. No litigation, arbitration, investigation or other proceeding is pending or, to the best of such Party's knowledge, threatened against such Party or any Affiliate of such Party with respect to this Agreement or the transactions contemplated hereunder, in each case, that if it were decided against such Party would materially and adversely affect such Party's ability to perform its obligations hereunder.
- 3.1.7 Service Contract. The Parties agree and acknowledge this Agreement purports to be a "service contract" within the meaning of Section 7701I of the Internal Revenue Code, the Parties hereto intend it to be such, and the Agreement should be construed accordingly.
- 3.2 <u>No Other Representations or Warranties</u>. Each Party acknowledges that it has entered hereinto in reliance upon the representations and warranties set forth in this Agreement, and that no other representations or warranties have been made by the other Party with respect to the subject matter hereof.

## SECTION 4 PURCHASE AND SALE OF PRODUCTS

- 4.1 <u>Purchase and Sale</u>. Except as otherwise expressly provided herein, commencing on the Commercial Operation Date and continuing through the Term, Seller shall sell and Buyer shall purchase the Products, including the Net Output delivered at the Point of Delivery. For and in consideration of Buyer's agreement to purchase from Seller the Net Output on the terms and conditions set forth herein, Seller transfers to Buyer, and Buyer accepts from Seller, all right, title, and interest that Seller may have in and to the associated RECs existing during the Term.
- 4.1.1 In addition, during the period between the Effective Date and the Commercial Operation Date, Seller shall sell and make available to Buyer, and Buyer shall purchase and receive, the Test Energy.
- 4.2 <u>No Sales to Third Parties</u>. During the Term, Seller shall not sell any portion of the Products to any Person other than Buyer; *provided*, *however*, that this restriction shall not apply to the extent (i) such sales are permitted pursuant to Section 11.3 or Section 14.3, or (ii) Buyer has committed an Event of Default that is not attributable to a DSP Failure.
- 4.3 <u>Title and Risk of Loss.</u> Seller shall deliver the Products and the Test Energy free and clear of all liens, security interest, claims and encumbrances. Title to and risk of loss of the Net Output and the Test Energy shall transfer from Seller to Buyer upon its delivery to Buyer at the Point of Delivery. Seller shall be deemed to be in exclusive control of, and responsible for, any damage or injury caused by the Net Output and the Test Energy up to the Point of Delivery. Buyer shall be deemed to be in exclusive control of, and responsible for, any damages or injury caused by the Net Output and the Test Energy at and from the Point of Delivery. All proceeds received by Buyer from the resale by Buyer of any portion of Products and the Test Energy shall belong exclusively to Buyer.
- 4.4 <u>Curtailment</u>. The rights and obligations of the Parties with respect to curtailments of energy from the Facility are as follows:

- 4.4.1 Involuntary Curtailments. Seller shall not be obligated to sell and make available energy from the Facility (or the other Products), and Buyer shall not be obligated to purchase, receive or pay for energy from the Facility (or the other Products), that is not delivered to the Point of Delivery due to any of the following (singularly, "Involuntary Curtailment" and collectively, "Involuntary Curtailments"); (a) to the extent resulting from an Emergency, or (b) during times and to the extent that an event of Force Majeure prevents either Party from delivering or receiving energy from the Facility, provided that, with respect to (b), a Party shall not be relieved of its obligations pursuant to this Section 4.4.1 if the underlying cause for the occurrence of the Force Majeure was within the reasonable control of such Party or any Person retained by such Person. For each Involuntary Curtailment, the total lost production caused by such Involuntary Curtailment, expressed in MWh ("Deemed Generated Energy from Curtailments"), shall be the Net Output that would have been produced by the Facility and delivered by Seller to Buyer at the Point of Delivery pursuant to this Agreement but that was not produced by the Facility and delivered to the Point of Delivery pursuant to this Agreement due to such Involuntary Curtailment, as reasonably determined by Seller using Expected Annual Production for the applicable Contract Year, Facility availability information, relevant weather conditions, solar insolation at the Facility and other pertinent data for the relevant period.
- 4.4.2 Buyer Initiated Curtailment. If at any time there is a Buyer Initiated Curtailment, then Seller shall not be obligated to sell and make available energy from the Facility (or the other Products). For each Buyer Initiated Curtailment, the total lost production caused by the Buyer Initiated Curtailment, expressed in MWh ("Deemed Delivered Output"), shall be the Net Output that would have been produced by the Facility and delivered by Seller to Buyer at the Point of Delivery pursuant to this Agreement but that was not produced by the Facility and delivered to the Point of Delivery pursuant to this Agreement due to such Buyer Initiated Curtailment, as reasonably determined by Seller using Expected Annual Production for the applicable Contract Year, Facility availability information, relevant weather conditions, solar insolation at the Facility and other pertinent data for the relevant period. Buyer shall compensate Seller for each MWh of Deemed Delivered Output at the Contract Price. Additionally, Buyer shall be responsible for any charges or penalties assessed by Transmission Owner or any Electric System Authority against either Party as a result of any Buyer Initiated Curtailment.

### 4.5 Environmental Attributes, Capacity Rights and Ancillary Services.

4.5.1 Purchase and Sale of Environmental Attributes. For and in consideration of Buyer's agreement to purchase from Seller the Net Output on the terms and conditions set forth herein, Seller will deliver all Environmental Attributes associated with the Net Output to Buyer. The Parties will make such filings, execute such periodic documentation and take all actions as are reasonably required to deliver documentation of the transfer of Environmental Attributes to Buyer through the Acceptable REC Registry. If the Acceptable REC Registry is unavailable, then Seller will deliver the Environmental Attributes to Buyer in an Environmental Attribute attestation to Buyer or other legal form to be agreed to by the Parties. Title and risk of loss of the Environmental Attributes shall transfer from Seller to Buyer at the time the Environmental Attributes are transferred to Buyer's Acceptable REC Registry account or at the time the Environmental Attributes are otherwise transferred to Buyer.

- 4.5.2 Registration. Seller shall cooperate in any registration reasonably requested by Buyer of the Facility in any renewable portfolio standard or other equivalent program in which Buyer may wish Seller to register or maintain registration of the Facility, to the extent that Buyer pays the costs and expenses associated therewith; provided, that in no event shall Seller be required to make any modifications or upgrades to the Facility or the Interconnection Facilities or to modify the Facility's operations in any manner in order to provide Environmental Attributes or register or comply with any renewable portfolio standard or other equivalent program.
- 4.5.3 Purchase and Sale of Capacity Rights. For and in consideration of Buyer's agreement to purchase from Seller the Net Output on the terms and conditions set forth herein, Seller transfers to Buyer, and Buyer accepts from Seller, any right, title, and interest that Seller may have in and to the Capacity Rights, if any, existing during the Term and associated with the Net Output to Buyer. It is acknowledged and agreed by the Parties that Seller shall not be obligated to incur any incremental costs or expenses (a) in developing, constructing or operating the Facility in order for Seller to provide Capacity Rights to Buyer or (b) to accredit the capacity of the Facility. In no event shall Seller be required to make any modifications or upgrades to the Facility or the Interconnection Facilities or to modify the Facility's operations in any manner in order to provide Capacity Rights.
- 4.5.4 Representation Regarding Ownership of Capacity Rights. Seller represents that it has not sold, and, subject to Section 4.2, covenants that during the Term it will not sell or attempt to sell to any Person, the Capacity Rights, if any. Subject to Section 4.2, during the Term, Seller shall not report to any Person that the Capacity Rights, if any, belong to anyone other than Buyer. Buyer may at its own risk and expense report to any Person that the Capacity Rights exclusively belong to it.
- 4.5.5 Purchase and Sale of Ancillary Services. For and in consideration of Buyer's agreement to purchase from Seller the Net Output on the terms and conditions set forth herein, Seller transfers to Buyer, and Buyer accepts from Seller, any right, title, and interest that Seller may have in and to the Ancillary Services, if any, existing during the Term and associated with the Net Output to Buyer. It is acknowledged and agreed by the Parties that Seller shall not be obligated to incur any incremental costs or expenses in developing, constructing or operating the Facility in order for Seller to provide Ancillary Services to Buyer. In no event shall Seller be required to make any modifications or upgrades to the Facility or the Interconnection Facilities or to modify the Facility's operations in any manner in order to provide Ancillary Services.
- 4.5.6 Representation Regarding Ownership of Ancillary Services. Seller represents that it has not sold, and, subject to Section 4.2, covenants that during the Term it will not sell or attempt to sell to any Person, the Ancillary Services, if any. Subject to Section 4.2, during the Term, Seller shall not report to any Person that the Ancillary Services, if any, belong to anyone other than Buyer. Buyer may at its own risk and expense report to any Person that the Ancillary Services exclusively belong to it.
- 4.5.7 Further Assurances. At Buyer's request, and, as between Buyer and Seller, at Buyer's sole cost and expense, the Parties shall execute such documents and instruments as may be reasonably required to effect recognition and transfer of the Capacity Rights and Ancillary Services, if any, to Buyer.

4.6 Other Products. This Agreement does not create for Buyer any rights or interests in any product generated by the Facility, other than Net Output, associated Environmental Attributes, associated Capacity Rights and associated Ancillary Services. Seller shall retain all rights, title and interest in and to (i) any and all existing or future products that are produced by or in any manner attributable to the Facility (other than Net Output, Environmental Attributes, Capacity Rights and Ancillary Services, in each case as generated by the Facility during the Term), (ii) Tax Credits or any local, state or federal cash grants, depreciation deductions or other tax credits providing a tax benefit to Seller or any other Person based on ownership of, or energy production from, any portion of the Facility, and (iii) cash grants, depreciation deductions and other tax benefits arising from ownership or operation of the Facility.

## SECTION 5 CONTRACT PRICE; COSTS

- 5.1 <u>Contract Price</u>. Commencing on the Commercial Operation Date and continuing through the Term, Buyer shall pay the Contract Price for all deliveries to Buyer of the Products. The Contract Price includes the consideration to be paid by Buyer to Seller for the Products, and Seller shall not be entitled to any compensation over and above the Contract Price for the Products, except as set forth in Section 4.4.2.
- 5.1.1 For the period prior to the Commercial Operation Date, Buyer shall pay seventy-five percent (75%) of the Contract Price for all deliveries to Buyer of Test Energy.
- 5.2 Payment Obligation. Buyer's payment obligations associated with a DSP Failure under this Agreement (including any fees, charges, penalties or interest required hereunder unless expressly provided to the contrary) are limited to the amounts actually paid to Buyer by each Solar Participant pursuant to its respective PPC. Buyer hereby conveys, assigns, pledges and grants to Seller a security interest in all amounts actually paid by each Solar Participant pursuant to its PPC. The payment obligation of each Solar Participant pursuant to its PPC shall be supported by its full faith and credit taxing power and, in the event a Solar Participant becomes a Defaulting Solar Participant, Buyer hereby commits to Seller that it shall promptly pursue each of its remedies available to it pursuant to (x) the Defaulting Solar Participant's PPC, including, if necessary enforcement of the Defaulting Solar Participant's taxing power and (y) the non-defaulting Solar Participants' PPC obligations to make payments arising from the nonpayment of a Defaulting Solar Participant. Buyer further represents and warrants that it has delivered to Seller substantially true and correct copies of each PPC and Buyer covenants that it shall not amend any PPC if to do so would have an adverse effect on Seller's rights or expected revenues under this Agreement.
- 5.3 <u>Costs and Charges</u>. Seller shall be responsible for all Liabilities, costs or charges imposed in connection with the delivery of Net Output up to the Point of Delivery, including line losses and any operation and maintenance charges imposed by the Transmission Owner for the Interconnection Facilities. Buyer shall be responsible for all Liabilities, costs or charges imposed in connection with the scheduling and transmission of Net Output from and beyond the Point of Delivery, except as otherwise provided in Section 6.1.2.
- 5.4 <u>Taxes</u>. Seller shall pay or cause to be paid when due, or reimburse Buyer for, all sales, use, severance, excise, ad valorem, and any other similar taxes imposed or levied by any

Governmental Authority on the generation, sale or delivery of the Net Output up to the Point of Delivery, regardless of whether such taxes are imposed on Buyer or Seller under Applicable Law. Buyer shall pay or cause to be paid when due, or reimburse Seller for, all such taxes levied at and beyond the Point of Delivery upon and after the purchase by Buyer of the Net Output, regardless of whether such taxes are imposed on Buyer or Seller under Applicable Law. Seller shall be responsible for all federal, state and local taxes of whatever kind relating to the construction, ownership, leasing, operation or maintenance of the Facility, the Premises, or any components or appurtenances thereof, and all of Seller's income taxes, including those based upon the sale of the Products. If a Party is required to remit or pay taxes that are the other Party's responsibility hereunder, the Party required to pay such taxes shall provide prompt written notice thereof to the Party responsible for such taxes, together with appropriate supporting documentation. The paying Party shall remit such taxes to the relevant Governmental Authority and the responsible Party shall reimburse the paying Party for such taxes. Such reimbursement shall be made by the responsible Party on or before ninety (90) days after (a) such notice and supporting documentation are received, or (b) such taxes are actually paid and proper documentation thereof is furnished, whichever is later. Any Party entitled to an exemption from any such taxes or charges shall furnish the other Party any necessary documentation related thereto. The Parties specifically reserve the right to protest to the appropriate state or political subdivision the amount or validity of any such taxes, whether or not any such action must be filed in the name of Seller, Buyer or both. At the responsible Party's expense, the paying Party shall reasonably cooperate with the responsible Party with any such action.

- 5.5 Costs of Ownership and Operation. Without limiting the generality of any other provision hereof, Seller shall be solely responsible for paying when due (a) all costs of owning and operating the Facility in compliance with existing and future Applicable Law and the terms and conditions hereof, and (b) all taxes and charges (however characterized) now existing or hereinafter imposed on or with respect to the Facility, its operation, or on or with respect to emissions or other environmental impacts of the Facility, including any such tax or charge (however characterized) to the extent payable by a generator of such energy or environmental attributes.
- Rates Not Subject to Review. Neither Party shall petition FERC pursuant to the provisions of sections 205 or 206 of the Federal Power Act (16 U.S.C. § 792 et seq.) or any other Governmental Authority to amend this Agreement, or support a petition by any other Person seeking to amend this Agreement, absent the agreement in writing of the other Party. Further, absent the agreement in writing by both Parties, the standard of review for changes hereto proposed by a Party, a non-party or the FERC acting sua sponte shall be the "public interest" application of the "just and reasonable" standard of review set forth in United Gas Pipe Line Co. v. Mobile Gas Corp., 350 U.S. 332 (1956) and Fed. Power Comm'n v. Sierra Pacific Power Co., 350 U.S. 348 (1956) and clarified by Morgan Stanley Capital Group, Inc. v. Pub. Util. Dist. No. 1 of Snohomish County, 554 U.S. 527 (2008) and NRG Power Mktg., LLC v. Maine Pub. Utils. Comm'n, 558 U.S. 165 (2009).

## SECTION 6 OPERATION AND CONTROL

### 6.1 Standard of Facility Operation.

6.1.1 General; Operating and Forecast Procedures. Seller shall develop, build, operate, maintain and repair the Facility in all material respects in accordance with: (a) the applicable and mandatory standards, criteria and guidelines of the Transmission Owner and any Electric System Authority; (b) the Permits; (c) the Generation Interconnection Agreement; (d) all Applicable Laws; (e) the requirements of this Agreement; and (f) Good Industry Practices. Buyer and Seller shall cooperate to develop prior to the Commercial Operation Date (i) operating procedures for the scheduling, delivery and receipt of Test Energy and the Products as described hereunder, and (ii) procedures for providing non-binding forecasting of expected Net Output, in each case, in accordance with the requirements of this Agreement.

#### 6.1.2 Fines and Penalties.

- (a) Seller shall pay when due all fines, penalties, or legal costs incurred by Seller or for which Seller is legally responsible for noncompliance by Seller, its agents, employees, contractors or subcontractors, with respect to any provision hereof, any agreement, commitment, obligation or liability incurred by Seller in connection with this Agreement or the Facility or any Applicable Law, except where such fines, penalties or legal costs are being contested in good faith by Seller, its agents, employees, contractors or subcontractors through appropriate proceedings.
- (b) If fines, penalties, or legal costs are assessed against or incurred by Buyer on account of any action by any Governmental Authority or the Transmission Owner due to noncompliance by Seller with any Applicable Law, the Generation Interconnection Agreement or the provisions hereof, or if the performance of Seller or Buyer is delayed or stopped by order of any Governmental Authority or the Transmission Owner due to Seller's noncompliance with any Applicable Law, or the Generation Interconnection Agreement, Seller shall indemnify and hold harmless Buyer against any and all losses, liabilities, damages and claims suffered or incurred by Buyer as a result.
- (c) Without limiting the generality of anything in this Section 6.1.2, Seller shall reimburse Buyer for all fees, damages, fines, penalties or legal costs imposed on Buyer by any Governmental Authority or other Person or paid to other utilities for violations to the extent caused by Seller, and likewise Buyer shall reimburse Seller for all fees, damages, fines, penalties or legal costs imposed on Seller by any Governmental Authority or other Person or paid to other utilities for violations to the extent caused by Buyer.
- 6.2 <u>Interconnection</u>. Seller shall be responsible for the costs and expenses associated with interconnection of the Facility at the Point of Delivery, including Interconnection Facilities

defined herein, the costs of any Network Upgrades and the costs of any upgrades for affected systems.

6.3 <u>Coordination with the Transmission Owner</u>. As between the Parties, Seller shall be responsible for the coordination and synchronization of the Facility and the Interconnection Facilities with the Transmission Owner. In the event there are unanticipated changes in FERC or any Electric System Authority rules related to the coordination and synchronization of the Facility and the Interconnection Facilities with the Transmission Owner sufficiently significant to change the benefits, risks and burdens held by the Parties under this Agreement, the Parties shall meet in good faith to adjust the terms of this Agreement to provide for the Parties the originally intended allocation of benefits, risks and burdens.

#### 6.4 Outages.

- 6.4.1 Planned Outages. Commencing with the second (2<sup>nd</sup>) Contract Year, Seller shall provide Buyer with an annual forecast of Planned Outages for each Contract Year at least one (1) month, but no more than three (3) months, before the first day of that Contract Year. Buyer shall have a period of fifteen (15) calendar days following Seller's delivery of such annual forecast to review and provide Seller with any requested changes in writing. Seller shall promptly update such annual forecast, or otherwise change it, only to the extent that Seller is reasonably required to change it in order to comply with Good Industry Practices, or the terms of any of Seller's or its Affiliates' financing documents. Seller shall not schedule any Planned Outages in the daylight hours during the period starting May 15<sup>th</sup> and ending October 15<sup>th</sup> of each Contract Year, inclusive, that reduce the energy generation capability of the Facility, unless (a) such outage is required to avoid damage to the Facility, (b) such outage is necessary to perform maintenance that is required to maintain equipment warranties, (c) such outage is required in order to comply with Good Industry Practices or the Generation Interconnection Agreement or (d) the Parties agree otherwise in writing.
- 6.4.2 Maintenance Outages. If Seller reasonably determines that it is necessary to schedule a Maintenance Outage, Seller shall notify Buyer of the proposed Maintenance Outage as soon as practicable but in any event at least five (5) days before the outage begins (or such shorter period to which Buyer may reasonably consent, acting reasonably). Upon such notice, the Parties shall plan the Maintenance Outage to mutually accommodate the reasonable requirements of Seller and the service obligations of Buyer. Notice of a proposed Maintenance Outage shall include the expected start date and time of the outage, the decrease in available capacity of the Facility, and the expected completion date and time of the outage. Buyer shall promptly respond to such notice and may request reasonable modifications in the schedule for the outage. Seller shall use all reasonable efforts to comply with any request to modify the schedule for a Maintenance Outage, provided that such change has no substantial impact on Seller and is consistent with Good Industry Practices. Seller shall notify Buyer of any subsequent changes in the available capacity of the Facility as a result of such Maintenance Outage or any changes in the Maintenance Outage completion date and time. As soon as practicable, any notifications regarding Maintenance Outages given orally shall be confirmed in writing. Seller shall take all reasonable measures and exercise its reasonable efforts consistent with Good Industry Practices to minimize the frequency and duration of Maintenance Outages.

- 6.4.3 Forced Outages. Seller shall promptly provide to Buyer an oral report, via telephone to a number specified by Buyer, of any Forced Outage affecting more than ten percent (10%) of the Actual Capacity of the Facility. This report shall include the amount of the Actual Capacity of the Facility that will not be available because of the Forced Outage and the expected return date of such generation capacity. Seller shall promptly update the report as necessary to advise Buyer of changed circumstances. Seller shall take reasonable measures consistent with Good Industry Practices to avoid Forced Outages and to minimize their duration.
- 6.4.4 Notice of Deratings and Outages. Without limiting the foregoing, Seller will inform Buyer via telephone to a number specified by Buyer, of any major limitations, restrictions, deratings, or outages known to Seller affecting the Facility for the following day and will promptly update Seller's notice to the extent of any material changes in this information, with "major" defined as affecting more than ten percent (10%) of the Actual Capacity of the Facility.
- 6.5 <u>Buyer Transmission Services</u>. Beginning no later than [March 31], 2023 and continuing throughout the Term, Buyer shall be responsible for arranging and paying for all transmission service required to effectuate the receipt of Test Energy and Net Output at the Point of Delivery. As between Buyer and Seller, Buyer shall bear all responsibility, liability, costs, fees, penalties and any other expenses associated with any failures, errors or omissions solely due to Buyer's performance of such obligations, including the failure to timely perform such obligations in accordance with this Agreement or the requirements of any Electric System Authority. Buyer shall indemnify, hold harmless and reimburse Seller for any liability, costs, fees, penalties and any other expenses assessed against or incurred by Seller that are Buyer's responsibility pursuant to the preceding sentence.
- Buyer with written notice if Seller or any Affiliate of Seller elects to build an additional solar project in the geographic vicinity of the Facility (such notice a "ROFR Notice"), which ROFR Notice shall include information regarding the additional solar project (including but not limited to anticipated capacity and pricing and timing of construction). Buyer may, but shall not be required to, elect to increase its Contract Amount by an amount of MWac up to the maximum capacity of such additional solar project by providing written notice to Seller within [sixty (60)] days of actual receipt of the ROFR Notice. If Buyer elects not to participate in the additional solar project (or otherwise fails to timely respond to the ROFR Notice), then Seller may proceed with construction and selling the resulting output to a third party; provided that Seller shall be required to submit a new ROFR Notice to Buyer in accordance with this Section 6.6 for Buyer's consideration if the price agreed upon with such third party is less than the price offered to Buyer pursuant to the declined ROFR Notice.
- 6.7 <u>Meteorological Data</u>. Seller shall install sufficient meteorological stations at the Facility to provide the capability of measuring and recording representative irradiance levels and other pertinent meteorological conditions, which meteorological data may be used to calculate Deemed Generated Energy from Curtailments and Deemed Delivered Output.
- 6.8 <u>Forecasting</u>. Seller shall prepare and provide Buyer with the Facility's forecasted Energy production and the Net Output. These non-binding forecasts of production, described in Subsections 6.8.1 through 6.8.4, will be determined and prepared with the intent of being as

accurate as possible. Seller shall update a forecast any time information becomes available indicating a material change in the forecast relative to the most previously provided forecast.

- 6.8.1 Year-Ahead Forecasts. Seller shall, by December 1 of each year during the Term, provide Buyer with a forecast of each month's average-day Net Output from the Facility, by hour, for the following calendar year. This forecast shall include an expected range of uncertainty based on historical operating experience. Seller shall update the forecast for each month at least five (5) Business Days before the first Business Day of such month.
- 6.8.2 Week-Ahead Forecasts. By 1700 EPT on the Thursday preceding the immediately upcoming week of delivery, Seller shall provide Buyer with a daily forecast of deliveries for the upcoming week (Saturday through Friday).
- 6.8.3 Day-Ahead Forecasts. By 0700 EPT on the calendar day immediately preceding the day of delivery, Seller shall provide Buyer with an hourly forecast of deliveries for each hour of the next seven (7) days. In the event that Seller has any information to believe that the production from the Facility on any day will be materially lower or higher than what would otherwise be expected based on the forecasts provided, then Seller will inform Buyer of such circumstance by 0700 EPT on the preceding Business Day.
- 6.8.4 Intra-day Forecasts. In the event that Seller has any information to believe that the production from the Facility during any hour will be materially lower or higher than what would otherwise be expected based on the forecasts provided, then Seller will inform Buyer of such circumstance as soon as practical.
- 6.8.5 Communication. Seller shall communicate forecasts in a form, template, substance, and manner as requested by Buyer (e.g., Excel template), which form, template, substance, and manner may be reasonably modified by Buyer from time to time. Requested forecast data may include but is not limited to, location, forecast timestamp, site capacity, a flag for actual or forecasted data, available site capacity, energy, and reason for any capacity reduction for each hour of the next seven days.

#### 6.9 Operational Records and Reports.

- 6.9.1 Monthly Reports. Within fifteen (15) days after the end of each calendar month during the Term from and after the Commercial Operation Date, Seller shall provide to Buyer a monthly operational report, in electronic format, in a form and substance reasonably acceptable to Buyer containing the following data:
  - (a) A summary of the energy production of the Facility during such month and the Net Output; and
  - (b) A summary of any other significant events related to the operation of the Facility for such month.
- 6.9.2 Other Information to be Provided to Buyer. Seller shall provide to Buyer such other information respecting the condition or operations of Seller or the Facility as Buyer may, from time to time, reasonably request.

6.9.3 Information to Governmental Authorities. Seller shall, as soon as practicable, upon written request from Buyer, assist Buyer by providing Facility data and reports, to the extent available, that are required by Buyer to be provided to any Governmental Authority. In the event that Buyer obtains confidential technical or proprietary information related to the Facility and belonging to a third party, and Buyer is required to provide such information to a Governmental Authority or otherwise required to provide such information under Applicable Law, Seller may, at its expense, seek a protective order or other appropriate remedy to prevent such information from being disclosed to the public, all as further described in Section 24.4, below.

#### 6.10 Production Guarantee.

- 6.10.1 Guaranteed Production. Seller guarantees that during each Performance Measurement Period during the Term, the Net Output for such Performance Measurement Period and the associated RECs will be no less than eighty-five percent (85%) of the Expected Annual Production for each Contract Year during such Performance Measurement Period (the "Minimum Production Guarantee"). In determining the Net Output in any Performance Measurement Period for purposes of compliance with the Minimum Production Guarantee, Deemed Delivered Output and Deemed Generated Energy from Curtailments shall be credited to the calculation of such Net Output.
- 6.10.2 Liquidated Damages for Failure to Meet Guaranteed Production. If Seller fails to achieve the Minimum Production Guarantee in any Performance Measurement Period, then Seller shall pay Buyer, as liquidated damages and not as a penalty, an amount equal to Buyer's Cost to Cover. Each Party agrees and acknowledges that the damages Buyer would incur due to any failure to achieve the Minimum Production Guarantee would be difficult to predict with certainty and therefore the liquidated damages set forth in this Section 6.10.2 are a fair and reasonable calculation of such damages. Such liquidated damages shall be payable in lieu of actual damages and shall be Buyer's sole and exclusive remedy and Seller's sole and exclusive liability for any failure by Seller to achieve the Minimum Production Guarantee; provided, however, notwithstanding the foregoing, Buyer shall nevertheless have the right to terminate this Agreement as a result of an Event of Default by Seller under Section 11.1.2(f) and seek those related rights and remedies upon such termination.
- 6.10.3 Annual Output Guarantee Report. On or before the sixtieth (60th) Day following the end of each Performance Measurement Period, Buyer shall deliver to Seller a report (and supporting data) detailing whether Seller achieved the Minimum Production Guarantee for the most recently completed Performance Measurement Period, and, if applicable, calculations of the liquidated damages set forth in Section 6.10.2 that Seller owes for such Performance Measurement Period. Within ten (10) Business Days of providing such invoice, Seller shall pay to Buyer, by wire transfer of immediately available funds to an account specified in writing by Buyer or by any other means agreed to by the Parties in writing from time to time, the amount set forth as due in such invoice or as otherwise determined pursuant to the dispute resolution provisions set forth in Section 23.
- 6.11 Access Rights. Upon reasonable prior notice, during normal working hours, and subject to the safety requirements of Seller and Applicable Laws relating to workplace health and safety, Seller shall provide Buyer and its authorized agents, employees and inspectors with

reasonable access to the Facility: (a) for the purpose of reading or testing metering equipment, (b) for purposes of implementing Section 10.6, (c) as necessary to witness any acceptance tests, and (d) for other reasonable purposes at the reasonable request of Buyer. Buyer shall indemnify and release Seller against and from any and all Liabilities resulting from actions or omissions by the Buyer Indemnitees in connection with their access to the Premises or the Facility, except to the extent that such damages are caused by the intentional or grossly negligent act or omission of any Seller Indemnitee.

6.12 <u>Signage</u>. If Buyer determines it would be useful for public relations purposes to have a sign at the site identifying the Solar Participants, Seller will provide such signage after review and approval by Buyer.

## SECTION 7 GENERATOR STATUS

7.1 <u>Authority to Make Sales</u>. From and after the Commercial Operation Date (or, if earlier, the date Seller commences the delivery of the Test Energy), Seller shall maintain its authority to sell Net Output hereunder.

# SECTION 8 SELLER'S SECURITY AND CREDIT SUPPORT

- 8.1 <u>Seller Credit Support</u>. Seller shall provide Buyer with and maintain the Seller Credit Support. The Seller Credit Support shall be available to Buyer as security for Seller's payment obligations under this Agreement. The Seller Credit Support shall be maintained at the expense of Seller and shall be, as elected by Seller, in its sole discretion, in the form of Letter of Credit, Cash Deposit, or Guaranty or a combination thereof. Seller may change the form or forms of Seller Credit Support at any time and from time to time upon reasonable prior notice to Buyer. Seller shall be required to replenish the Seller Credit Support if and as it is depleted.
- 8.1.1 One or More Letters of Credit. If all or a portion of the Seller Credit Support is a Letter of Credit, such Letter of Credit must be issued for a minimum term of three hundred sixty (360) days. Seller shall cause the renewal or extension of such Letter of Credit for additional consecutive terms of three hundred sixty (360) days or more no later than thirty (30) days prior to each expiration date of such Letter of Credit. If such Letter of Credit is not renewed or extended as required herein or replaced by alternate instruments of Seller Credit Support in accordance with this Section 8.1, Buyer shall have the right to draw immediately upon the Letter of Credit and to place the amounts so drawn in an interest bearing escrow account in accordance with Section 8.1.2, until and unless Seller provides Buyer with a substitute Letter of Credit or other form of Seller Credit Support meeting the requirements of this Section 8.1.
- 8.1.2 One or More Cash Deposits. Seller Credit Support provided in the form of a Cash Deposit shall include a requirement for immediate notice to Buyer and Seller in the event that the Cash Deposit amounts held as Seller Credit Support do not at any time meet the required level for the Cash Deposit. Cash Deposit funds held in the deposit account may be deposited in a money-market fund, short-term treasury obligations, investment-grade commercial paper and other liquid investment-grade investments with maturities of three (3) months or less as may be

specified by Seller, with all investment income thereon to be taxable to, and to accrue for the benefit of, Seller. At any such times as the balance in the deposit account exceeds the amount of Seller's obligation to provide the Cash Deposit hereunder, Buyer shall remit to Seller on demand any excess in the deposit account above the required level of the Cash Deposit.

- 8.1.3 One or more Guaranties. Seller may provide one or more Guaranties as Seller Credit Support. If the Guarantor with respect to any Guaranty provided as Seller Credit Support ceases to qualify as a Guarantor, then Seller shall be required to either (a) provide a replacement Guaranty from a qualified Guarantor, or (b) replace the Guaranty provided by the unqualified Guarantor with one or more alternate Seller Credit Support instruments meeting the criteria set forth in this Section 8.1, in each case, no later than ten (10) Business Days after such Guarantor ceases to be a qualified Guarantor.
- 8.1.4 Credit Support Release. Promptly following the date upon which Seller provides the Subsequent Credit Support (to the extent that the Construction Credit Support is not part of the Subsequent Credit Support) or upon earlier termination of this Agreement and payment of any outstanding Delay Damages, Buydown Liquidated Damages, and any other amounts due to Buyer, Buyer shall release the balance of the Construction Credit Support (including any accumulated interest, if applicable) to Seller. Promptly following the end of the Term or upon earlier termination of this Agreement, and payment of any outstanding amounts due to Buyer, Buyer shall release the balance of the Seller Credit Support (including any accumulated interest, if applicable) to Seller.
- 8.2 <u>Not an Exclusive Remedy</u>. The security contemplated by this Section 8 shall not be Buyer's exclusive remedy for the Seller's failure to perform its obligations in accordance with this Agreement.

# SECTION 9 METERING AND COMMUNICATION

- 9.1 <u>Installation of Metering Equipment</u>. Seller shall be responsible for ensuring that metering equipment is designed, furnished, installed, owned, inspected, tested, calibrated, maintained and replaced as provided in the Generation Interconnection Agreement.
- 9.2 <u>Metering</u>. Metering shall be performed at the location and in the manner specified in the Generation Interconnection Agreement and as necessary to perform Seller's obligations hereunder.
- 9.2.1 Revenue Meters. Upon Buyer's reasonable request and no less than once per calendar year, Seller shall inspect and test the Revenue Meter. Buyer may have a representative present during any metering inspection or test. If any of the inspections or tests, whether requested by Buyer or Seller, disclose a variance exceeding one-half of one percent (0.5%), proper correction, based upon the found variance, shall be made of previous readings for the actual period during which the metering equipment rendered inaccurate measurements if that period can be ascertained. If the actual period cannot be ascertained, the proper correction shall be made to the measurements taken during the time the metering equipment was in service since last tested, but not exceeding the shorter of (a) the last one-half of the period from the last test to the test that

showed the metering equipment to be in error or (b) three (3) months preceding the test that showed the metering equipment to be in error, in the amount the metering equipment shall have been shown to be in error by such test. The Parties shall use production data from Seller's computer monitoring system for the Facility to determine the amount of such inaccuracy. Any correction in billings or payments resulting from a correction in the meter records shall be made in the next monthly billing or payment rendered; provided, however, that, no corrections shall be made with respect to any payments that were due more than two (2) years prior to the date of the test or inspection that showed the metering equipment to be in error. Such correction, when made, shall constitute full adjustment of any claim between Seller and Buyer arising out of such inaccuracy of metering equipment. Nothing in this Agreement shall give rise to Buyer having any obligations to Seller, or any other Person, pursuant to or under the Generation Interconnection Agreement.

9.2.2 Communication. Besides the communication equipment required in the Interconnection Agreement between the Seller and its transmission interconnection service provider, the Seller will provide a MEAG Power meter station to include communication equipment to allow MEAG Power to read the meters (primary and backup) in real time from MEAG Power's Supervisory Control and Data Acquisition (SCADA) system and MEAG Power's MV90 metering system in Atlanta, GA. All communication, SCADA and telemetry equipment will be provided by the Seller and will be designed to meet MEAG Power's equipment and data communication requirements which include, but are not limited to: primary revenue quality meter (with Power Quality capabilities), back-up revenue quality meter, two (2) private, redundant communication channels with related technology on both ends in order to deliver data from the facility to MEAG Power's SCADA and MV90 systems in Atlanta, GA, including redundant routers and network equipment designed to communicate real time information to MEAG Power.

# SECTION 10 BILLINGS, COMPUTATIONS AND PAYMENTS

- 10.1 <u>Monthly Invoices</u>. No later than the seventh (7th) Business Day after the end of each calendar month, Seller shall deliver to Buyer an invoice detailing Seller's computation of the payment for the Net Output delivered to Buyer and any Deemed Delivered Output during the previous month. Together with the invoice, Seller shall provide detailed computations showing the Net Output that was delivered during each hour and calculations by hour for Deemed Delivered Output. All settlement statements will reflect hours in Central Prevailing Time. If any invoice is found to be inaccurate, a corrected invoice shall be issued. On or before the last day of the month during which the invoice was received, Buyer shall pay Seller the undisputed portion of the invoiced amount for Net Output and for Deemed Delivered Output.
- 10.2 Offsets. Either Party may offset any undisputed payment due hereunder against amounts owing from the other Party to the offsetting Party pursuant hereto; provided that any offset with respect to an amount attributable to a Solar Participant shall be limited by and subject to the principles in Section 5.2. Offsets shall be documented in a manner mutually acceptable to the Parties, with records retained as otherwise required by this Agreement. A Party's exercise of recoupment and set off rights shall not limit the other remedies available to such Party.
- 10.3 <u>Interest on Late Payments</u>. Any amounts that are not paid when due hereunder (including any amounts withheld by a Party which are later determined to have been improperly

withheld) shall bear interest at the Contract Interest Rate from the date due until paid, which rate shall not exceed the maximum permissible under Georgia law.

- 10.4 <u>Disputed Amounts</u>. Notwithstanding anything to the contrary herein, if either Party, in good faith, disputes any amount due pursuant to an invoice rendered under this Section 10, such Party shall notify the other Party of the specific basis for the dispute and may, if not previously paid, withhold payment of the amount disputed. Upon resolution of the dispute, any required payment or refund shall be paid within thirty (30) days after such resolution, along with interest at the Contract Interest Rate from the date of the overpayment or underpayment to the date of receipt of the reconciling payment or refund.
- 10.5 Recordkeeping. Each Party shall keep and maintain all records as may be necessary or useful in performing or verifying the accuracy of all relevant data, estimates or statements of charges submitted hereunder until the later of (a) a period of at least two (2) years after the date an invoice was received by a Party, or (b) if there is a dispute relating to an invoice, the date that is at least two (2) years after the date on which such dispute is resolved. Each Party agrees to take such reasonable action as may be requested by the other Party to comply with the record retention requirements imposed by a Governmental Authority or that are otherwise necessary to preserve the tax benefits of this transaction.
- Required Records and Audit Rights. Seller shall maintain, or cause to be maintained, accurate and up-to-date books and records of all matters relating to operations, production, billings and other terms of this Agreement in sufficient detail and format in order that all provisions of this Agreement can be readily and adequately verified. All accounting records shall be maintained in accordance with GAAP consistently applied. All required records shall be available in electronic format. Seller shall also maintain or cause to be maintained, accurate and up-to-date records as may be required by law, Governmental Authorities, and other regulators. Buyer shall have the right, at its sole expense, upon reasonable notice, and during normal business hours, to examine, audit and copy: (i) the records of Seller to the extent reasonably necessary to verify the accuracy of any invoice, charge or computation made hereunder; (ii) operating procedures and manuals; (iii) equipment and operating records, and (iv) data and records required to be maintained pursuant this Agreement; provided however that audits shall not be conducted more frequently than once each Contract Year and shall be limited in scope to the fiscal year of the audit as well as the immediately two preceding fiscal years. Seller will support remote audits as requested through transmission of requested items in an electronic format and participation in conference calls and webinars. If, as a result of such examination, any amount is determined to be due by one Party to the other Party, the appropriate Party shall promptly pay the amount of the deficiency so owed, together with interest at the Contract Interest Rate from the date of the overpayment or underpayment to the date of receipt of the reconciling payment.

## 10.7 Payment Due Dates.

Except as otherwise specifically provided herein, any payment due from one Party to the other Party pursuant to this Agreement shall be due thirty (30) days after the date of the invoice that the former Party receives from the latter Party for the amount of such payment.

10.8 <u>Rounding</u>. In administering and interpreting this Agreement, all amounts expressed in MWh shall be rounded to the nearest thousandth of a MWh, all amounts expressed in MW shall be rounded to the nearest thousandth of a MW, all rates per MW and rates per MWh amounts expressed in dollars shall be rounded to the nearest hundredth of a dollar, and all total amounts expressed in dollars shall be rounded to the nearest dollar.

## SECTION 11 DEFAULTS AND REMEDIES

11.1 <u>Defaults</u>. The following events are defaults (each a "default" before the passing of applicable notice and cure periods, and an "Event of Default" thereafter) hereunder:

## 11.1.1 Defaults by Either Party.

- (a) A Party breaches a representation or warranty made by it herein if such breach materially affects the performance of such Party's obligations under this Agreement and the breach is not cured within thirty (30) days after the non-defaulting Party gives the defaulting Party a written notice of the default. A breach may only be "cured" by the defaulting party remedying the breach and reimbursing the non-defaulting party for any cost, expense, or liability incurred as a result of such breach (including, but not limited to, any cost or expense incurred investigating and pursuing such breach).
- (b) A Party fails to perform any material obligation hereunder for which an exclusive remedy is not provided hereunder and which is not addressed in any other Event of Default described in this Section 11.1, if the failure is not cured within thirty (30) days after the non-defaulting Party gives the defaulting Party written notice of the default; *provided*, *however*, that, upon written notice from the defaulting Party, this thirty (30) day period shall be extended by an additional ninety (90) days if (i) the failure cannot reasonably be cured within the original thirty (30) day period despite diligent efforts, (ii) the default is capable of being cured within the additional ninety (90) day period, and (iii) the defaulting Party commences the cure within the original thirty (30) day period and is at all times thereafter diligently proceeding to cure the failure.

#### 11.1.2 Defaults by Seller.

- (a) Seller (i) makes a general assignment for the benefit of its creditors; (ii) files a petition or otherwise commences, authorizes or acquiesces in the commencement of a proceeding or cause of action under any bankruptcy or similar law for the protection of creditors, or has such a petition filed against it and such petition is not withdrawn or dismissed within sixty (60) days after such filing; (iii) becomes insolvent; or (iv) is generally unable to pay its debts when due.
- (b) Seller fails to make an undisputed payment when due hereunder (including any liquidated damages or other payments upon default due hereunder) if the failure is not cured within fifteen (15) days after the Buyer gives Seller a written notice of the failure.

- (c) Seller sells or transfer the Products to any other Person other than Buyer, except as otherwise permitted under this Agreement and such activity is not cured within ten (10) Business Days after Buyer gives Seller a written notice thereof.
- (d) Seller fails to post or maintain Seller Credit Support as required in Section 8 if the failure is not cured within ten (10) Business Days after Buyer gives Seller a written notice of such failure.
- (e) Except as provided in Section 20.3, Seller transfers all or substantially all of the assets of the Facility without the prior written consent of Buyer.
- (f) If during any two (2) consecutive Performance Measurement Periods, the aggregate quantity of Net Output is less than sixty-five percent (65%) of the aggregate sum of the Expected Annual Production for such period, provided that in determining the Net Output in any Performance Measurement Period, Deemed Delivered Output and Deemed Generated Energy from Curtailments shall be credited to the calculation of such Net Output.
- (g) Seller fails to deliver the Environmental Attributes and the Test Energy free and clear of all liens, security interests, claims and encumbrances if the failure is not cured within ten (10) Business Days after Buyer gives Seller a written notice of such failure.
- (h) Seller fails to issue notice to its contractor (which contractor shall have been previously disclosed to Buyer) under the engineering, procurement and construction agreement or similar contract entered into by and between Seller and the contractor and relating to the construction of the Facility, authorizing and directing the commencement of construction of the Facility by the Notice to Proceed Date.

#### 11.1.3 Default by Buyer.

- (a) Buyer fails to make an undisputed payment when due hereunder and:
- (1) If such failure to pay is not attributable to a Defaulting Solar Participant, such failure is not cured within fifteen (15) days after the Seller gives the Buyer a written notice of the failure to pay; or
- (2) If such failure to pay is attributable to a Defaulting Solar Participant (a "**DSP Failure**"), at the time of such failure Buyer fails to promptly pursue each of its available remedies under (i) the Defaulting Solar Participant's PPC, including, if necessary, enforcement of the Defaulting Solar Participant's taxing power and (ii) the non-defaulting Solar Participants' PPC obligations to make payments arising from the nonpayment of a Defaulting Solar Participant.

(b) Buyer (i) makes a general assignment for the benefit of its creditors; (ii) files a petition or otherwise commences, authorizes or acquiesces in the commencement of a proceeding or cause of action under any bankruptcy or similar law for the protection of creditors, or has such a petition filed against it and such petition is not withdrawn or dismissed within sixty (60) days after such filing; (iii) becomes insolvent; or (iv) is generally unable to pay its debts when due.

#### 11.2 Termination and Remedies.

- 11.2.1 Buyer's Remedies. Upon the occurrence of an Event of Default by Seller (excluding any Event of Default arising out of any event or circumstance for which an exclusive remedy is expressly provided under this Agreement), the Buyer shall be entitled to all remedies available under this Agreement or at law or in equity, and may terminate this Agreement by notice to Seller designating the date of termination (provided such notice must be delivered to the Seller to the notice addresses of the Seller set forth in Section 22.1 no less than fifteen (15) Business Days before such termination date). Such notice shall be sent by registered overnight delivery service or by certified or registered mail, return receipt requested and shall state prominently therein that the notice is a notice of termination of this Agreement. In the event of a termination hereof, and without prejudice to any other remedies available to Buyer under this Agreement or at law or in equity (except as to remedies which are liquidated as hereafter provided in Section 11.2.1(c), below):
  - (a) Seller shall pay to Buyer all amounts due to Buyer hereunder for all periods prior to termination, subject to offset by either Party against amounts due from the other Party for periods prior to such termination.
  - (b) The amounts due pursuant to Section 11.2.1(a) shall be paid within sixty (60) days after receipt of invoice for such charges, or following a determination pursuant to the dispute resolution provisions set forth in Section 23 if applicable, and shall bear interest thereon at the Contract Interest Rate from the date of termination until the date paid. The foregoing does not extend the due date of, or provide an interest holiday for, any payments otherwise due hereunder.
  - (c) The Buyer shall be entitled to receive a Termination Payment as liquidated damages for all amounts owing under this Agreement for the balance of the Term. The Termination Payment shall be calculated by the Buyer within a reasonable period after termination of this Agreement. Amounts owed pursuant to this Section 11.2.1(c) shall be due within sixty (60) days after the Buyer gives the Seller notice of the amount due or following a determination pursuant to the dispute resolution provisions set forth in Section 23 if applicable. Subject to Section 11.3, the Buyer shall under no circumstances be required to account for or otherwise credit or pay the Seller for economic benefits accruing to the Buyer as a result of the Seller's default, except to the extent such benefits are contemplated in the definition of Termination Payment.
  - (d) In the exercise of any remedy under this Section 11.2.1, Buyer shall be entitled to recover from Seller, to the extent permitted by Georgia law, all

reasonable attorneys' fees and expenses incurred by Buyer in connection with the exercise of such remedies.

#### 11.2.2 Seller's Remedies.

- (a) Upon the occurrence of an Event of Default by Buyer under Section 11.1.1, Section 11.1.3(a)(1) or Section 11.1.3(b), Seller shall be entitled to all remedies available under this Agreement or at law or in equity, and may terminate this Agreement by notice to Buyer designating the date of termination (provided such notice must be delivered to Buyer to the notice addresses of the Buyer set forth in Section 22.1 no less than fifteen (15) Business Days before such termination date). Such notice shall be sent by registered overnight delivery service or by certified or registered mail, return receipt requested and shall state prominently therein that the notice is a notice of termination of this Agreement. In the event of a termination hereof, and without prejudice to any other remedies available to Seller under this Agreement or at law or in equity (except as to remedies which are liquidated as hereafter provided in Section 11.2.2(a)(3), below):
- (1) Buyer shall pay to Seller all amounts due to Seller hereunder for all periods prior to termination, subject to offset by either Party against amounts due from the other Party for periods prior to such termination.
- (2) The amounts due pursuant to Section 11.2.2(a)(1) shall be paid within sixty (60) days after receipt of invoice for such charges, or following a determination pursuant to the dispute resolution provisions set forth in Section 23 if applicable, and shall bear interest thereon at the Contract Interest Rate from the date of termination until the date paid. The foregoing does not extend the due date of, or provide an interest holiday for, any payments otherwise due hereunder.
- (3) The Seller shall be entitled to receive a Termination Payment as liquidated damages for all amounts owing under this Agreement for the balance of the Term. The Termination Payment shall be calculated by the Seller within a reasonable period after termination of this Agreement. Amounts owed pursuant to this Section 11.2.2(a)(3) shall be due within sixty (60) days after the Seller gives the Buyer notice of the amount due or following a determination pursuant to the dispute resolution provisions set forth in Section 23 if applicable. Subject to Section 11.3, the Seller shall under no circumstances be required to account for or otherwise credit or pay the Buyer for economic benefits accruing to the Seller as a result of the Buyer's default, except to the extent such benefits are contemplated in the definition of Termination Payment.
- (4) In the exercise of any remedy under this Section 11.2.2(a), Seller shall be entitled to recover from Buyer, to the extent permitted by Georgia law, all reasonable attorneys' fees and expenses incurred by Seller in connection with the exercise of such remedies.

- Upon the occurrence of an Event of Default that is attributable to a DSP Failure, if Buyer is not, at any time, using its reasonable best efforts to pursue its available remedies against (i) the Defaulting Solar Participant pursuant to the terms of the Defaulting Solar Participant's PPC and (ii) the non-defaulting Solar Participants pursuant to the terms of their respective PPCs, then Seller may bring any suit, action or proceeding in law or in equity, including mandamus, injunction and action for specific performance as may be necessary or appropriate to cause Buyer to enforce such remedies (including but not limited to enforcement of the Defaulting Solar Participant's taxing power) until such DSP Failure is cured, and to the extent permitted by Georgia law, Seller may recover from Buyer all reasonable attorneys' fees and expenses incurred by Seller in connection with the exercise of Seller's remedy under this Section 11.2.2(b). Buyer shall periodically apprise Seller of steps taken by Buyer to pursue its remedies pursuant to clauses (i) and (ii) of the immediately preceding sentence. If any amount that is attributable to a DSP Failure remains unpaid to Seller 12 months following the month of the initial Event of Default attributable to the DSP Failure, then Seller shall have the right to terminate this Agreement with respect to the portion of the Contract Amount attributable to the Defaulting Solar Participant.
- 11.2.3 Notwithstanding any termination or expiration of this Agreement, this Agreement will remain in effect with respect to, and to the extent necessary to facilitate the settlement of, all liabilities and obligations arising hereunder before the effective date of such termination or expiration, and as necessary to facilitate any Termination Payment.
- 11.2.4 The Parties agree to pursue the remedies available hereunder in such manner as reasonably required to permit the continued performance of the remaining obligations.
- 11.3 <u>Duty to Mitigate</u>. Each Party agrees that it has a duty to mitigate damages and covenants that it will use commercially reasonable efforts to minimize any damages it may incur as a result of the other Party's performance or non-performance hereof.
- 11.4 <u>Security</u>. Buyer may, in addition to pursuing any and all other remedies available at law or in equity, proceed against any Seller Credit Support held by Buyer in whatever form to reduce any undisputed amounts that Seller owes Buyer arising from a Seller Event of Default.
- 11.5 <u>Cumulative Remedies</u>. Except with respect to events or circumstances for which an exclusive remedy is provided herein, the rights and remedies provided to each Party hereunder are cumulative and not exclusive of any rights or remedies of such Party.

## SECTION 12 INDEMNIFICATION AND LIABILITY

## 12.1 <u>Indemnities</u>.

12.1.1 Indemnity by Seller. To the extent permitted by Applicable Law, Seller shall release, indemnify and hold harmless Buyer, its Affiliates and members, and each of its and their respective directors, officers, employees, agents, and representatives (collectively, the "Buyer Indemnitees") against and from any and all losses, fines, penalties, claims, demands, damages,

liabilities, actions or suits of any nature whatsoever (including reasonable legal costs and attorneys' fees, both at trial and on appeal, whether or not suit is brought) in each case as are claimed by third parties (collectively, "Liabilities") resulting from, or arising out of, or in any way connected with, Seller's breach of the performance of its obligations hereunder, gross negligence, willful misconduct, fraud, or violation of Applicable Law, for or on account of personal injury, illness, death or property damage, excepting only to the extent such Liabilities are caused by the gross negligence or willful misconduct of any Buyer Indemnitee.

- 12.1.2 Indemnity by Buyer. To the extent permitted by Applicable Law, Buyer shall release, indemnify and hold harmless Seller, its Affiliates, and each of its and their respective directors, officers, employees, agents, and representatives (collectively, the "Seller Indemnitees") against and from any and all Liabilities resulting from, or arising out of, or in any way connected with, Buyer's breach of the performance of its obligations hereunder, gross negligence, willful misconduct, fraud, or violation of Applicable Law, for or on account of personal injury, illness, death or property damage, excepting only to the extent such Liabilities are caused by the gross negligence or willful misconduct of any Seller Indemnitee.
- 12.1.3 Defense. Promptly after receipt by a Party of any claim or notice of the commencement of any action, administrative or legal proceeding, or investigation as to which the indemnity provided for in this Section 12 may apply, the indemnified Party shall notify the indemnifying Party in writing of such fact. The indemnifying Party shall assume the defense thereof with counsel designated by such indemnifying Party and satisfactory to the indemnified Party, provided, however, that if the defendants in any such action include both the indemnified Party and the indemnifying Party and the indemnified Party shall have reasonably concluded that there may be legal defenses available to it which are different from or additional to, or inconsistent with, those available to the indemnifying Party, the indemnified Party shall have the right to select and be represented by separate counsel, at the indemnifying Party's expense.
- 12.1.4 Failure to Defend. If the indemnifying Party fails to assume the defense of a claim meriting indemnification, the indemnified Party may at the sole expense of the indemnifying Party, contest, settle, or pay such claim; provided however, that settlement or full payment of any such claim may be made only following consent of the indemnifying Party or, absent such consent, written opinion of the indemnified Party's counsel that such claim is meritorious or warrants settlement.
- 12.1.5 Third Parties. Except as provided in this Section 12.1 and as is consistent to preserve the Financing Parties' rights in any Financing Party Consent or Estoppel, nothing herein shall be construed to create any duty to, any standard of care with reference to, or any liability to any Person not a Party hereto. No undertaking by one Party to the other under any provision hereof shall affect the status of Buyer or Seller as an independent entity.
- 12.2 <u>Consequential Damages</u>. EXCEPT TO THE EXTENT SUCH DAMAGES ARE INCLUDED IN ANY LIQUIDATED DAMAGES OR TERMINATION PAYMENT PAYABLE HEREUNDER OR INDEMNIFICATION FOR THIRD PARTY DAMAGES HEREUNDER OR FOR LIABILITY ARISING FROM FRAUD, NEITHER PARTY SHALL BE LIABLE TO THE OTHER PARTY FOR SPECIAL, PUNITIVE, INDIRECT, EXEMPLARY OR CONSEQUENTIAL DAMAGES, WHETHER SUCH DAMAGES ARE ALLOWED OR

PROVIDED BY CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY, STATUTE OR OTHERWISE.

## SECTION 13 INSURANCE

- 13.1 Evidence of Insurance. On or before the Notice to Proceed Date and continuing through achievement of Commercial Operation, Seller shall acquire, or cause to be acquired, Builder's Risk insurance coverage as required by Exhibit 2. On or before the beginning of each Contract Year, Seller shall acquire, or cause to be acquired, all other insurance required by Exhibit 2. In connection with all insurance coverage required to be carried by Seller hereunder, Seller shall provide Buyer, upon Buyer's prior written request, with certificates of insurance evidencing that insurance coverages for the Facility are in compliance with the applicable specifications for such insurance coverage set forth in Exhibit 2. Such insurance policies shall (a) provide Buyer with additional insured status (except worker's compensation/employer's liability); and (b) provide a waiver of any rights of subrogation against Buyer, its Affiliates and their officers, trustees, directors, agents, subcontractors, and employees. If the insurer does not agree to provide Buyer thirty (30) days' prior written notice of non-renewal, cancellation of corresponding policies (except that such notice shall be ten (10) days for non-payment of premiums), Seller shall be obligated to provide such notice to Buyer. All insurance policies shall be written with insurers rated A-VIII or better by A.M. Best Company. All insurance policies shall be written on an occurrence or claims-made basis. All insurance policies, except the Umbrella/Excess Liability policy, shall contain an endorsement or otherwise provide that Seller's policy shall be primary in all instances regardless of like coverage, if any, carried by Buyer. Seller's liability under this Agreement is not limited to the amount of insurance coverage required herein. The Umbrella/Excess Liability policy shall be non-contributory.
- 13.2 Term and Modification of Insurance. If any insurance required to be maintained by Seller hereunder ceases to be reasonably available and commercially feasible in the commercial insurance market, Seller shall provide written notice to Buyer, accompanied by a certificate from an independent insurance advisor, certifying that such insurance is not reasonably available and commercially feasible in the commercial insurance market for electric generating plants of similar type, geographic location and design. Upon receipt of such notice, Seller shall use commercially reasonable efforts to obtain other insurance that would provide comparable protection against the risk to be insured and Buyer shall not unreasonably withhold its consent to such modification.

## SECTION 14 FORCE MAJEURE

14.1 <u>Definition of Force Majeure</u>. "Force Majeure" or "an event of Force Majeure" means an event that (a) is not within the reasonable control of the Party affected by the event, (b) is not the result of such Party's negligence or failure to act, and (c) could not be overcome, avoided or mitigated by the affected Party's use of due diligence under the circumstances. Force Majeure includes, but is not restricted to, events of the following types (but only to the extent that such an event, in consideration of the circumstances, satisfies the tests set forth in the preceding sentence): acts of God; natural disasters; fire; severe weather; storms; lightning; tsunami; peril of the sea; war (declared or undeclared); military or guerilla action; banditry; terrorist activity or a threat of

terrorist activity which, under the circumstances, would be considered a precursor to actual terrorist activity; economic sanction or embargo; pandemic, epidemic or quarantine; civil disturbance; sabotage; action, inaction or restraint by court order or public or Governmental Authority. Notwithstanding the foregoing, none of the following constitute Force Majeure: (i) Seller's ability to sell, or Buyer's ability to purchase, the Products at a more advantageous price than is provided hereunder; (ii)(a) the unavailability, variability or lack of photovoltaic rays or solar insolation, or (b) Facility equipment failures, in each case, except to the extent caused by an independent event of Force Majeure; or (iii) economic hardship, including lack of money.

- 14.2 <u>Suspension of Performance</u>. If either Party is rendered wholly or in part unable to perform its obligations hereunder because of an event of Force Majeure, both Parties shall be excused from the performance affected by the event of Force Majeure (other than the obligation to pay amounts due hereunder), provided that:
- 14.2.1 the Party affected by the Force Majeure shall give the other Party prompt written notice, without intentional delay, describing the particulars of the event;
- 14.2.2 the suspension of performance shall be of no greater scope and of no longer duration than is required to remedy the effect of the Force Majeure; and
- 14.2.3 the affected Party shall use reasonable and diligent efforts to remedy its inability to perform.
- 14.3 <u>Force Majeure Does Not Affect Obligations Already Incurred</u>. No obligations, including payment obligations, of either Party that arose before the event of Force Majeure or that arise after the cessation of the event of Force Majeure shall be excused by the event of Force Majeure. In the event of an event of Force Majeure with respect to Buyer, Seller may sell all or a portion of the Products to any other Person during the continuation of such event of Force Majeure.
- 14.4 <u>Strikes</u>. Notwithstanding any other provision hereof, neither Party shall be required to settle any strike, walkout, lockout or other labor dispute on terms which, in the sole judgment of the Party involved in the dispute, are contrary to the Party's best interests.
- 14.5 Right to Terminate. If a Force Majeure event prevents a Party from performing its material obligations hereunder for a period exceeding three hundred sixty-five (365) consecutive days, then either Party may terminate this Agreement by giving ten (10) days' prior written notice to the other Party, provided that if the Party claiming to be affected by the Force Majeure event is diligently taking reasonable efforts to remedy the effects of the Force Majeure event, then the Party claiming the Force Majeure event shall have such additional time (not to exceed six (6) additional months) as reasonably necessary to remedy its inability to perform. Upon such termination, each Party shall pay to the other all amounts due the other hereunder for all periods prior to the date of termination, but neither Party will have any liability to the other Party (a) as a result of such termination or (b) with respect to the period following the effective date of such termination; provided, however, that this Agreement will remain in effect with respect to, and to the extent necessary to, facilitate the settlement of, all liabilities and obligations arising hereunder before the effective date of such termination.

14.6 <u>Change in Law</u>. In the event of an enactment, adoption, promulgation, amendment, modification, repeal or change in interpretation by a Governmental Authority of any Applicable Law after the Effective Date that impairs or prevents either Party's performance of its material obligations under this Agreement, materially increases a Party's costs to perform its material obligations under this Agreement, or materially alters the allocation of risks between the Parties (a "Change in Law"), the Parties shall use good faith efforts to negotiate and agree on modifications to this Agreement in a manner that preserves the respective economic benefits and risk allocation of the Parties under this Agreement as of the Effective Date; provided, however, that neither Party shall be obligated to accept or agree to any modifications to this Agreement, nor shall any Party be bound to take any action or perform any obligation unless such action or obligation has been mutually agreed upon by the Parties.

## SECTION 15 SEVERAL OBLIGATIONS

Nothing contained herein shall be construed to create an association, trust, partnership or joint venture or to impose a trust, partnership or fiduciary duty, obligation or liability on or between the Parties or any Solar Participant.

## SECTION 16 CHOICE OF LAW

This Agreement shall be interpreted and enforced in accordance with the laws of the State of Georgia, excluding any choice of law rules that may direct the application of the laws of another jurisdiction.

## SECTION 17 PARTIAL INVALIDITY

The Parties do not intend to violate any Applicable Law governing the subject matter hereof. If any of the terms hereof are finally held or determined to be invalid, illegal, unenforceable, or void as being contrary to any Applicable Law or public policy, all other terms hereof shall remain in effect. The Parties shall use good faith efforts to amend this Agreement to reform or replace any terms determined to be invalid, illegal or void, such that the amended terms (a) comply with and are enforceable under Applicable Law, (b) give effect to the intent of the Parties in entering hereinto, and (c) preserve the balance of the economics and equities contemplated by this Agreement in all material respects.

## SECTION 18 NON-WAIVER

No waiver of any provision hereof shall be effective unless the waiver is set forth in a writing that (a) expressly identifies the provision being waived, and (b) is executed by the Party waiving the provision. A Party's waiver of one or more failures by the other Party in the performance of any of the provisions hereof shall not be construed as a waiver of any other failure, whether of a like kind or different nature.

## SECTION 19 AUTHORIZATIONS

During the Term, Seller shall maintain all Permits required, as applicable, for the construction, operation, and ownership of the Facility and for the sale and delivery of the Net Output, except Permits with respect to which the failure to maintain would not materially adversely affect Seller's ability to perform its obligations hereunder.

## SECTION 20 SUCCESSORS AND ASSIGNS

- 20.1 <u>Restriction on Assignments</u>. Except as expressly provided in this Section 20, neither Party may assign this Agreement or any of its rights or obligations hereunder, without the prior written consent of the other Party, which consent shall not be unreasonably withheld, conditioned or delayed. Any assignment in contravention of this Section 20 will be void.
- 20.2 <u>Binding Nature</u>. This Agreement shall be binding upon and inure to the benefit of the permitted successors and assigns of the Parties hereto.
- 20.3 Permitted Assignments by Seller. Seller may not assign this Agreement or any portion thereof to any Person without the prior written consent of Buyer (such consent not to be unreasonably withheld, conditioned or delayed); provided, however, Seller may, without the consent of Buyer, assign this Agreement to a Financing Party for collateral security purposes in connection with any financing or refinancing of the Facility, and in connection therewith, Buyer agrees to (i) execute a reasonable Financing Party Consent or Estoppel in a form reasonably acceptable to Buyer should the Financing Party request such consent, (ii) reasonably cooperate in a timely manner with the requests of Seller or Financing Parties in conjunction with any financing involving the Facility, including any due diligence efforts of any such Financing Parties, and (iii) deliver reasonable and customary legal opinions, if required, in connection with any Financing Party Consent or Estoppel that is entered into with or for a Financing Party. If Seller seeks Buyer's consent to transfer or assign this Agreement to any party succeeding to all or substantially all of the assets or generating assets of Seller, such proposed transferee (together with the proposed transferee's Affiliates) must at the time of assignment, (x) either (A) collectively own, manage, or operate solar or wind energy electricity generating assets (not including the Facility) with a nameplate capacity of not less than 200 MW in the aggregate or (B) have engaged (or will have engaged in connection with such assignment) a Person to manage the construction of the Facility (if such transfer occurs before the Commercial Operation Date) or the operation of the Facility (if such transfer occurs after the Commercial Operation Date) that, together with its Affiliates, collectively owns, manages, or operates solar or wind energy electricity generating assets with a nameplate capacity of not less than 200 MW in the aggregate; (y) have an Acceptable Credit Rating or a credit rating at least equal to that of the assignor; and (z) have posted Credit Support in accordance with this Agreement. In connection with any permitted assignment by Seller and approved by Buyer pursuant to the immediately preceding sentence, Buyer will execute a consent and agreement to such assignment and a written full release of Seller from all of its duties and obligations under this Agreement in a form reasonably acceptable to the Parties.

Permitted Assignments by Buyer. Notwithstanding Section 20.1, Buyer may, upon Seller's written consent (such consent not to be unreasonably withheld, conditioned or delayed) assign a portion of its rights and obligations under this Agreement to a Person (including a joint action agency) with whom Buyer may be working for the supply of prepaid gas or electricity. To the extent this Agreement is novatable pursuant to the supply agreements between such Person and the prepaid gas or electricity seller, and to the extent Buyer wishes to novate this agreement, Buyer will deliver a written request for such assignment, which request will include a proposed assignment agreement. Subject to the consent required by the first sentence of this Section 20.4, Seller agrees to (i) comply with the prepaid-gas or electricity seller's reasonable requests for knowyour-customer and similar account opening information and documentation with respect to Seller, including but not limited to information related to forecasted generation, credit rating, and compliance with anti-money laundering rules, the Dodd-Frank Act, the Commodity Exchange Act, the Patriot Act and similar rules, regulations, requirements and corresponding policies; and (ii) promptly execute such assignment agreement and implement such assignment as contemplated thereby, subject only to the countersignature of the appropriate parties involved with Buyer's supply of prepaid gas or electricity.

## SECTION 21 ENTIRE AGREEMENT

This Agreement supersedes all prior agreements, proposals, representations, negotiations, discussions or letters, whether oral or in writing, regarding the subject matter hereof. No modification hereof shall be effective unless it is in writing and executed by both Parties.

## SECTION 22 NOTICES

22.1 <u>Addresses and Delivery Methods</u>. All notices, requests, statements or payments shall be made to the addresses set out below. Notices required to be in writing shall be delivered by letter, facsimile, electronic mail, or other written documentary form. Notice by hand delivery shall be deemed to have been given when received or hand delivered. Notice by overnight mail or courier shall be deemed to have been given on the date and time evidenced by the delivery receipt.

To Seller:

PINEVIEW SOLAR LLC Attn: General Counsel 685 S. Arthur Ave., Suite 1B Louisville, CO 80027

with a copy to

PINEVIEW SOLAR LLC Attn: Alexander Zhou 685 S. Arthur Ave., Suite 1B Louisville, CO 80027 To Buyer: MEAG Power

Attn: Senior VP and Chief Operating Officer

1470 Riveredge Parkway, NW Atlanta, GA 30328-4640

with a copy (which shall not

MEAG Power

constitute notice) to:

Attn: Senior VP and General Counsel

1470 Riveredge Parkway, NW Atlanta, GA 30328-4640

- 22.2 <u>Changes of Address</u>. The Parties may change any of the persons to whom notices are addressed, or their addresses, by providing written notice in accordance with this Section 22.
- 22.3 <u>Notices to Financing Parties</u>. The requirements concerning notice by Buyer to Financing Parties will be set forth in the Financing Party Consent or Estoppel, if any.

## SECTION 23 DISPUTE RESOLUTION

- 23.1 <u>Negotiations</u>. The Parties shall attempt in good faith to resolve all disputes arising out of, related to or in connection with this Agreement promptly in accordance with this Section 23.1. Any Party may give the other Party written notice of any dispute not resolved in the normal course of business. Executives of both Parties at levels at least one level above the personnel who have previously been involved in the dispute shall meet at a mutually acceptable time and place within fifteen (15) days after delivery of such notice, and thereafter as often as they reasonably deem necessary, to exchange relevant information and to attempt to resolve the dispute. If the matter has not been resolved within thirty (30) days after the referral of the dispute to such senior executives, or if no meeting of such senior executives has taken place within fifteen (15) days after such referral, either Party may initiate litigation as provided hereinafter.
- 23.2 Choice of Forum. Any legal action or proceeding arising out of this Agreement or the actions of the Parties leading up to this Agreement must be brought in the Superior Court of Fulton County in the State of Georgia. By execution and delivery hereof, each Party (a) accepts the exclusive jurisdiction of such court and waives any objection that it may now or hereafter have to the exercise of personal jurisdiction by such court over each Party for the purpose of any proceeding related to this Agreement, (b) irrevocably agrees to be bound by any final judgment (after any and all appeals) of such court in any such proceeding, (c) irrevocably waives, to the fullest extent permitted by law, any objection that it may now or hereafter have to the laying of venue of any such suit, action or proceedings brought in such court (including any claim that any such suit, action or proceeding has been brought in an inconvenient forum) in connection herewith, (d) agrees that service of process in any such action may be effected by mailing a copy thereof by registered or certified mail, postage prepaid, to such Party at its address as set forth herein, and I agrees that nothing herein shall affect the right to effect service of process in any other manner permitted by law.

- 23.3 <u>Settlement Discussions</u>. No statements of position or offers of settlement made in the course of the negotiation process described in Section 23.1 may be offered into evidence for any purpose in any litigation between the Parties, nor will any such statements or offers of settlement be used in any manner against either Party in any such litigation. Further, no such statements or offers of settlement shall constitute an admission or waiver of rights by either Party in connection with any such litigation. At the request of either Party, any such statements and offers of settlement, and all copies thereof, shall be promptly returned to the Party providing the same.
- 23.4 <u>Waiver of Jury Trial</u>. EACH PARTY KNOWINGLY, VOLUNTARILY, INTENTIONALLY AND IRREVOCABLY WAIVES THE RIGHT TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION BASED ON THIS AGREEMENT, OR ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT.

## SECTION 24 CONFIDENTIALITY

- 24.1 Confidential Information; Press Releases. The Parties hereby agree to keep confidential, and shall not disclose (including by means of press release or other public announcement), the terms of this Agreement, any information relating to the business, strategy, policies, prospects, assets or plans of the other Party or any of the other Party's Affiliates (including, in the case of Buyer as the receiving Party, Facility capabilities and availability and other information contained in monthly and quarterly reports provided hereunder) and, to the extent marked in writing as confidential at the time of disclosure, all other information provided by the Parties to one another pursuant to this Agreement (collectively, "Confidential Information"). Confidential Information shall not include (i) information that is or becomes available to the public through no breach of this Agreement, (ii) information that was previously known by the receiving Party without any obligation to hold it in confidence, (iii) information that the receiving Party receives from a third party who may disclose that information without breach of law or agreement, (iv) information that the receiving Party develops independently without using the Confidential Information, and (v) information that the providing Party approves for release in writing. Buyer and Seller hereby agree that the Parties will coordinate and mutually agree upon the content and timing of press releases, public announcements, marketing materials, and branding materials concerning this Agreement or the subject matter of this Agreement. Notwithstanding the foregoing, the other Party's prior written approval shall not be required nor prevent the Parties from releasing information (a) which is required to be disclosed in order to obtain Permits and other approvals relating to the Facility or other information required to be provided to regulators having jurisdiction over a Party's business or that of its Affiliates, (b) as necessary to fulfill such Party's obligations under this Agreement, or (c) as otherwise required by Applicable Law.
- 24.2 <u>Treatment of Confidential Information</u>. Notwithstanding the foregoing, each Party may provide any Confidential Information: (i) to a Governmental Authority or any other Person (including contractors, consultants, accountants, financial advisors, agents, experts, legal counsel and other professional advisors to the Parties) as required for billing or otherwise to perform its obligations under or administer this Agreement; and (ii) in the case of Seller, to Financing Parties or potential Financing Parties, Affiliates and lessors, owners of and potential bidders and bidders

for, and potential purchasers and purchasers of, direct or indirect interests in the Facility or Seller and to any credit rating agency that has issued a Credit Rating for Seller or any of its Affiliates. Each Party shall cause its personnel and all Persons to whom it discloses the Confidential Information to treat it confidentially and to not disclose it to any other Person in any manner whatsoever, except as permitted hereunder. The obligation to provide confidential treatment to Confidential Information shall not be affected by the inadvertent disclosure of Confidential Information by either Party.

Disclosure Required by Law. Notwithstanding the foregoing, a receiving Party may use and disclose Confidential Information where required to do so in litigation, administrative, regulatory or other legal proceedings or otherwise by Applicable Law, but (to the extent reasonably possible under Applicable Law) only after providing written notice to the providing Party and affording the providing Party an opportunity to seek a protective order or other relief to prevent or limit disclosure of the Confidential Information. In such event, the receiving Party shall (to the extent permitted under Applicable Law) reasonably cooperate in connection with the providing Party's efforts to obtain such protective order or other relief. In no event shall a receiving Party be required to provide such a written notice to the providing Party when making a required disclosure in any litigation where the Parties are adverse litigants. Further, each Party shall use commercially reasonable efforts to maintain the confidentiality of the Confidential Information in any litigation or administrative or regulatory proceeding or in any other instance where disclosure is required by Applicable Law and there is an opportunity to maintain the confidentiality of the Confidential Information under the Applicable Law, and shall promptly notify the providing Party of any attempt by any Person to obtain the Confidential Information through legal process or otherwise under Applicable Law. In addition, to the extent either Party requires additional details or other information from the other Party in order to comply with Applicable Law and such additional details or other information is in such other Party's possession or reasonably available to such other Party, such other Party shall promptly provide such additional details or other information to the first Party upon request therefor from the first Party to such other Party.

#### 24.4 Georgia Open Records Act and Georgia Open Meeting Act.

24.4.1 Notwithstanding any other provision of this Section 24 or this Agreement, the Parties recognize Buyer and the Solar Participants are governmental entities subject to certain statutory, legal obligations as a public body, including, without limitation, the Georgia Open Records Act (O.C.G.A. §50-18-70, et seq.) ("GORA") and Georgia Open Meeting Act (O.C.G.A. § 50-14-1, et seq.) ("GOMA"). The obligations and requirements of Buyer under GORA and GOMA shall be harmonized to the extent feasible with this section, provided that GORA and GOMA, as interpreted by Georgia courts, shall control. Upon receipt of a request for Confidential Information and prior to the release of any Confidential Information by Buyer pursuant to GORA or GOMA, Buyer will provide written notice to Seller of such request as set forth in Section 24.3, above, along with the information or records which Buyer has identified as responsive which may contain Confidential Information. If Seller should object to the production of any Confidential Information by Buyer under GORA or GOMA, Seller must timely notify Buyer of its objection. Buyer shall make an independent determination as to whether Confidential Information is required to be disclosed pursuant to GORA and GOMA. Seller may, if Seller disagrees with Buyer's determination, institute an action in its own name to prevent or otherwise limit such disclosure.

Each Party agrees to bear their own costs, including legal fees, in complying with this Section 24.4.

24.4.2 Upon Buyer's receipt of a Solar Participant's written notification (a "Written Notification"), in accordance with the terms of such Solar Participant's PPC, that such Solar Participant has received a request for a copy of this Agreement pursuant to GORA, Buyer shall use commercially reasonable efforts to promptly notify Seller of such GORA Request. Notwithstanding anything to the contrary in this Agreement, a Solar Participant's failure to provide the Written Notification and/or Buyer's failure to notify Seller upon receipt of a Written Notification (i) shall not constitute a default pursuant to Section 11.1, hereof and shall not give rise to any of the Seller remedies referenced in Section 11.2.2, hereof and (ii) Buyer shall have no recourse against the Solar Participant or Buyer.

24.5 <u>Survival</u>. The obligations of the Parties under this Section 24 will remain in full force and effect for three (3) years following the expiration or termination of this Agreement.

# SECTION 25 COUNTERPARTS; ORIGINALS

This Agreement may be executed by facsimile or PDF (electronic copy), in one or more duplicate counterparts, and when executed and delivered (electronically or manually) by all the parties listed below, shall each be deemed an original and, taken together, shall constitute a single binding agreement.

[signature page follows]

| IN WITNESS WHEREOF, the Parties have caused this Agreement to be execute | d in their |
|--|------------|
| respective names as of the date first above written.                     |            |

| respective names as of the date first above without. |
|--|
| SELLER:  |
| PINEVIEW SOLAR LLC                                   |
|  |
| By:  |
| Name:  |
| Title:   |
|  |
|  |
| By:  |
| Name:  |
| Title:   |
|  |
|  |
| BUYER:   |
| MUNICIPAL ELECTRIC AUGUADAMA OF CEORCIA              |
| MUNICIPAL ELECTRIC AUTHORITY OF GEORGIA              |
|  |
| D  |
| By:  |
| Name: James E. Fuller                                |

Title: CEO and President

#### **EXHIBIT A**

## DESCRIPTION OF FACILITY AND POINT OF DELIVERY

The Facility shall consist of a solar photovoltaic (PV) inverter-based generator array with a nominal net capacity of 80 MWAc at the Point of Delivery, which Point of Delivery will be the 115 kV bus at MEAG Power's Pitts 230/115 kV Substation. The Facility site is located approximately at GPS coordinates Latitude 32.004384, Longitude –83.544910, in Wilcox County, Georgia.

**EXHIBIT B** 

# **EXPECTED ANNUAL PRODUCTION for**

# **Contract Amount from Facility**

| Contract<br>Year | MWh<br>(80 MWac) |
|------------------|------------------|
| 1                | 196,149          |
| 2                | 195,168          |
| 3                | 194,192          |
| 4                | 193,221          |
| 5                | 192,255          |
| 6                | 191,294          |
| 7                | 190,338          |
| 8                | 189,386          |
| 9                | 188,439          |
| 10               | 187,497          |
| 11               | 186,559          |
| 12               | 185,626          |
| 13               | 184,698          |
| 14               | 183,775          |
| 15               | 182,856          |
| 16               | 181,942          |
| 17               | 181,032          |
| 18               | 180,127          |
| 19               | 179,226          |
| 20               | 178,330          |

# **EXHIBIT C**

# NERC EVENT TYPES

| Event | Description of Outages   |
|-------|--|
| Type  |  |
| U1    | <u>Unplanned (Forced) Outage—Immediate</u> — An outage that requires immediate removal of a unit from service, another outage state or a Reserve Shutdown state. This type of outage results from immediate mechanical/electrical/hydraulic control systems trips and operator-initiated trips in response to unit alarms.   |
| U2    | <u>Unplanned (Forced) Outage—Delayed</u> – An outage that does not require immediate removal of a unit from the in-service state but requires removal within six (6) hours. This type of outage can only occur while the unit is in service.   |
| U3    | <u>Unplanned (Forced) Outage—Postponed</u> – An outage that can be postponed beyond six hours but requires that a unit be removed from the in-service state before the end of the next weekend. This type of outage can only occur while the unit is in service.   |
| SF    | Startup Failure – An outage that results from the inability to synchronize a unit within a specified startup time period following an outage or Reserve Shutdown. A startup period begins with the command to start and ends when the unit is synchronized. An SF begins when the problem preventing the unit from synchronizing occurs. The SF ends when the unit is synchronized or another SF occurs. |
| МО    | Maintenance Outage — An outage that can be deferred beyond the end of the next weekend, but requires that the unit be removed from service before the next planned outage. (Characteristically, a MO can occur any time during the year, has a flexible start date, may or may not have a predetermined duration and is usually much shorter than a PO.)   |
| ME    | Maintenance Outage Extension – An extension of a maintenance outage (MO) beyond its estimated completion date. This is typically used where the original scope of work requires more time to complete than originally scheduled. Do not use this where unexpected problems or delays render the unit out of service beyond the estimated end date of the MO.   |
| PO    | <u>Planned Outage</u> – An outage that is scheduled well in advance and is of a predetermined duration, lasts for several weeks and occurs only once or twice a year. (Boiler overhauls, turbine overhauls or inspections are typical planned outages.)  |
| PE    | <u>Planned Outage Extension</u> – An extension of a planned outage (PO) beyond its estimated completion date. This is typically used where the original scope of work requires more time to complete than originally scheduled. Do not use this where unexpected problems or delays render the unit out of service beyond the estimated end date of the PO.  |

#### **EXHIBIT D**

#### EXAMPLE CALCULATION OF BUYER'S COST TO COVER

Assume that during a Performance Measurement Period the Expected Annual Production is 175,000 MWh; however, during the Performance Measurement Period the actual Net Output was 125,000 MWh, representing only 71.43% of the Expected Annual Production.

Also assume that several Involuntary Curtailments were mandated by the Transmission Owner (or its transmission operator) within the Performance Measurement Period. The Seller determines that the Net Output that would have been produced by the Facility but that was not produced by the Facility due to such Involuntary Curtailments amounts to 350 MWh. This determination was based on the Expected Annual Production, Facility availability information, relevant weather conditions, and solar insolation at the Facility and other pertinent data for the relevant period.

Finally, assume that there were no Buyer Initiated Curtailments during the Performance Measurement Period, therefore, the Deemed Delivered Output is 0 MWh.

Because the actual Contract Amount of Net Output for such Performance Measurement Period and the associated RECs are less than Minimum Production Guarantee of 85%, Seller is to pay to Buyer liquidated damages in an amount equal to Buyer's Cost to Cover.

Buyer's Cost to Cover is calculated as follows:

(Replacement Cost \$/MWh - Contract Price \$/MWh) \* ((85%\* Expected Annual Production MWh) - (actual Net Output + Involuntary Curtailments MWh + Buyer Initiated Curtailments MWh))

#### Where,

Replacement Cost = The average of the market price that MEAG Power posts for its Participants for all hours ending 900 through hours ending 1700 in the Performance Measurement Period, plus MEAG's actual price paid for RECs to replace RECs not delivered by Seller, all on a \$/MWh basis. For this example, assume MEAG's average posted market price for the hours HE900 through HE1700 for the Performance Measurement Period is \$30.00/MWh, and MEAG's actual cost of replacement RECs for the Performance Measurement Period is \$2.00/MWh.

```
Then,
Buyer's Cost to Cover = ($32.00- $25.91) * ((85%* 175,000.00) - (125,000 + 350 + 0))
= ($6.09) * (148,750 - 125,350)
= $142,506.00
```

# **EXHIBIT E**

# FORM OF LETTER OF CREDIT

# [LETTERHEAD OF ISSUING BANK]

Irrevocable Standby Letter of Credit No.

| Issued: November, 2020  |
|---|
| Beneficiary: Municipal Electric Authority of Georgia 1470 Riveredge Pkwy Atlanta, GA 30328  |
| Applicant: [NAME]   |
| Initial expiration date at our counter (unless evergreen):  |
| Final expiration date at our counter:   |
|   |
| For overnight delivery:   |
| Ladies and Gentlemen:   |
| We, [**] ("Issuer") do hereby issue this Irrevocable Transferable Standby Letter of Credit No. by order of and for the account of [NAME] ("Account Party") and in favor of Municipal Electric Authority of Georgia ("Beneficiary" or "You"), in connection with that certain Power Purchase Agreement dated, 2021, by and between Account Party and You (as amended modified and supplemented from time to time, the "Agreement"). The term "Beneficiary" includes any successor by operation of law of the named beneficiary including without limitation any liquidator, receiver or conservator. Capitalized terms used herein but not defined shall have the meaning given such terms in the Agreement. |
| This Letter of Credit is issued, presentable and payable and we guaranty to you that drafts under<br>and in compliance with the terms of this Letter of Credit will be honored on presentation and<br>surrender of certain documents pursuant to the terms of this Letter of Credit.  |
| This Letter of Credit is available in one or more drafts and may be drawn hereunder, in part or in full, for the account of up to an aggregate amount not exceeding This Letter of Credit is drawn against by presentation to us at our office located at [**, Attention: **], of a drawing   |

certificate: (i) signed by an officer or authorized agent of the Beneficiary; (ii) dated the date of presentation; and (iii) the following statement:

"The undersigned hereby certifies to [\*\*] ("Issuer"), with reference to its Irrevocable Transferable Standby Letter of Credit No., dated , issued on behalf of [NAME] ("Account Party") and in favor of Municipal Electric Authority of Georgia ("Beneficiary") that (i) the Account Party failed to furnish a replacement or extension letter of credit (or other substitute credit support) thirty (30) days prior to the final expiration date of the Letter of Credit; (ii) the Account Party failed to furnish a replacement letter of credit (or other substitute credit support) within thirty (30) days after the Issuer notified us that it elected not to consider the letter of credit extended for one (1) year; (iii) the Issuer no longer qualifies as a Qualified Issuer; or (iv) an Event of Default with respect to the Account Party has occurred under the Agreement. Based upon the foregoing and in accordance with the terms of Section 8 of the Agreement, the Beneficiary hereby draws upon the Letter of Credit in an amount equal to \$ (United States Dollars )."

If presentation of any drawing certificate is made on a Business Day and such presentation is made on or before 10:00 a.m. Eastern Time, Issuer shall satisfy such drawing request on the same Business Day. If the drawing certificate is received after 10:00 a.m. Eastern Time, Issuer will satisfy such drawing request on the next Business Day. As used herein, "Business Day" means any day on which (a) commercial banks are not closed, or authorized or required to close, in New York City, New York and (b) with respect to certain drawing request, the bank to which funds are requested to be transferred hereunder as set forth in such drawing certificate is not closed, or authorized or required to close, and may receive such funds by wire transfer as requested hereunder.

It is a condition of this Letter of Credit that it will be automatically extended without amendment for one (1) year from the initial expiration date hereof, or any future expiration date subject to the final expiration date hereof, unless at least one hundred twenty (120) days prior to any expiration date we send you written notice at the above address by registered mail or overnight courier service that we elect not to consider this Letter of Credit extended for any such period.

However, in no event shall this Letter of Credit be extended beyond the final expiration date.

This Letter of Credit may be transferred in its entirety (but not in part) upon presentation to us of a transfer certificate signed by the Beneficiary in the form of Exhibit A accompanied by this Letter of Credit and any amendment(s), in which the Beneficiary irrevocably transfers to such transferee all of its rights hereunder, whereupon we agree to either issue a substitute letter of credit to such successor or endorse such transfer on the reverse of this Letter of Credit. Any transfer fees assessed by Issuer will be payable solely by Account Party, and the payment of any transfer fees will not be a condition to the validity or effectiveness of the transfer or this Letter of Credit.

This Letter of Credit is not transferable to any person or any entity with which U.S. persons are prohibited from doing business under applicable U.S. law or regulation.

Disbursements under the Letter of Credit shall be in accordance with the following terms and conditions:

- 1. The amount, which may be drawn by the Beneficiary under this Letter of Credit, may be reinstated by the amount of any drawings hereunder via amendment.
- 2. All commissions and charges will be borne by the Account Party.
- 3. This Letter of Credit shall be governed by the International Standby Practices Publication No. 590 of the International Chamber of Commerce (the "ISP"), except to the extent that terms hereof are inconsistent with the provisions of the ISP, in which case the terms of the Letter of Credit shall govern. This Letter of Credit shall be governed by the internal laws of the State of New York to the extent that the terms of the ISP are not applicable; provided that, in the event of any conflict between the ISP and such New York laws, the ISP shall control.
- 4. This Letter of Credit may not be amended, changed or modified without the express written consent of the Beneficiary and the Issuer.
- 5. The Beneficiary shall not be deemed to have waived any rights under this Letter of Credit, unless the Beneficiary or an authorized agent of the Beneficiary shall have signed a written waiver.

No such waiver, unless expressly so stated therein, shall be effective as to any transaction that occurs subsequent to the date of the waiver, nor as to any continuance of a breach after the waiver. Partial drawing permitted.

- 6. A failure to make any partial drawing at any time shall not impair or reduce the availability of this Letter of Credit in any subsequent period or our obligation to honor your subsequent demands for payment made in accordance with the terms of this Letter of Credit.
- 7. All payments hereunder shall be made free and clear of, and without deduction or set off for or on account of, any present or future taxes, duties, charges, fees, deductions or withholdings of any nature and by whomsoever imposed.

## Exhibit A

(FORM TO BE ADDRESSED TO THE NOMINATED BANK BY THE BENEFICIARY OF A TRANSFERABLE CREDIT WHEN TRANSFERRING THE CREDIT IN ITS ENTIRETY INCLUDING ALL EXISTING AND FUTURE AMENDMENTS, IF ANY)

| To:   |
|---|
| Gentlemen:  |
| Re: Letter of Credit No. Issued by: [**]  |
| For value received, the undersigned beneficiary hereby irrevocably transfers to:  |
| (Name of Transferee)  |
| (Address)   |
| all rights of the undersigned beneficiary to Draw under the above Letter of Credit In its entirety.   |
| By this transfer, all rights of the undersigned beneficiary in such Letter of Credit are transferred to the transferee and the transferee shall have the sole rights as beneficiary thereof, including sole rights relating to any amendments whether increases or extensions or other amendments and whether now existing or hereafter made. All amendments are to be advised direct to the transferee without necessity of any consent of or notice to the undersigned beneficiary. |
| The advice of such Letter of Credit is returned herewith, and we ask you to endorse the transfer or the reverse thereof, and forward it direct to the transferee with your customary notice of transfer.  |
| Very truly yours,   |
| Signature of<br>Beneficiary   |
| SIGNATURE AUTHENTICATED & SIGNOR IS AUTHORIZED TO REQUEST SAID TRANSFER   |
| (Bank)  |
| (Authorized Signature)  |

# **EXHIBIT F**

# FORM OF SELLER GUARANTY

| This Guaranty is executed and delivered as of this Day of, 20 by  |
|---|
| , a [corporation] (" <u>Guarantor</u> "), in favor of [ (" <u>Buyer</u> "), in connection with the performance by ] (" <u>Seller</u> "), of a Power Purchase Agreement dated [] between Seller and Buyer (the " <u>PPA</u> ").  |
| - RECITALS –  |
| A. Seller is planning to develop, design, construct, own, and operate a solar power electric generation facility expected name plate capacity of approximately [] MW to be located in [] (the "Facility").  |
| B. Seller and Buyer have entered into the PPA for the purchase and sale of electrical energy and associated Environmental Benefits (as defined in the PPA) from the Facility on the terms and conditions set forth therein.   |
| [Seller is controlled by Guarantor.] Guarantor expects to derive substantial benefits from the performance of the PPA by Seller and Buyer. To induce Buyer to enter into the PPA and consummate the purchase and sale of electrical energy contemplated by the PPA, Guarantor has agreed to guarantee the obligations of Seller as provided in this Guaranty.   |
| NOW, THEREFORE, in consideration of the foregoing, Guarantor agrees as follows:   |
| - AGREEMENT -   |
| 1. <u>Guaranty</u> . Subject to the provisions of this Guaranty, Guarantor hereby absolutely, irrevocably, unconditionally, and fully guarantees to Buyer the due, prompt, and complete observance, performance, and discharge of all amounts payable by Seller under the PPA when the same shall become due and payable, whether on scheduled payment dates, upon demand, upon declaration of termination, upon acceleration or otherwise, and whether incurred before or after the date of delivery of this Guaranty (the " <u>Obligations</u> "). The obligations of Guarantor under this Guaranty are primary obligations for which Guarantor is the principal obligor. There are no conditions precedent to the enforcement of this Guaranty, except as expressly contained herein. This is a guaranty of payment, not of collection and shall apply regardless of whether recovery of all such Obligations may be discharged, or uncollectible in any bankruptcy, insolvency, reorganization, liquidation, receivership, or similar proceeding affecting Seller or its assets. Buyer shall not be required to institute, pursue, or exhaust any remedies against Seller before instituting suit, obtaining judgment, and executing thereon against Guarantor under this Guaranty. |
| 2. <u>Maximum Liability</u> . Notwithstanding anything herein to the contrary, Guarantor's maximum liability under this Guaranty shall be limited to (\$US), plus costs of collection with respect to any valid claim(s) made by Buyer hereunder that are incurred in the enforcement or protection of the rights of Buyer.   |

- 3. <u>Guaranty Absolute</u>. The liability of Guarantor under this Guaranty shall be absolute, irrevocable and unconditional irrespective of:
  - (a) any defect or deficiency, or other unenforceable provision, in the PPA or any other documents executed in connection with the PPA;
  - (b) except as to applicable statutes of limitation, failure, omission, delay, waiver or refusal by Buyer to exercise, in whole or in part, any right or remedy held by Buyer with respect to the PPA, including but not limited to those rights set forth in Section 4 of this Guaranty; or
  - (c) any change in the existence, structure or ownership of Guarantor or Seller, or any bankruptcy, insolvency, reorganization, liquidation, receivership, or similar proceeding affecting Seller or its assets.
- 4. <u>Rights of Buyer</u>. Guarantor hereby grants to Buyer, in Buyer's discretion and without the need to notify or obtain any consent from Guarantor, and without termination, impairment, or any other effect upon Guarantor's duties hereunder, the power and authority from time to time:
  - (a) to renew, compromise, extend, accelerate, or otherwise change, substitute, supersede, or terminate the terms of performance of any of the Obligations, in each case in accordance with the PPA:
    - (b) to enter into any amendments, supplements or modifications to the PPA;
  - (c) to grant any indulgences, forbearances, and waivers, on one or more occasions, for any length of time, with respect to Seller's performance of any of the Obligations; and
  - (d) to accept collateral, further guaranties, and/or other security for the Obligations, and, if so accepted, then to impair, exhaust, exchange, enforce, waive, or release any such security.
- 5. <u>Performance</u>. If any of the Obligations are not performed according to the tenor thereof ("<u>Default</u>"), Guarantor shall within five (5) days of receipt of written demand by Buyer (a) perform or cause Seller to perform the Obligation in Default, and (b) pay, reimburse, and indemnify Buyer against any liabilities, damages, and related costs (including attorneys' fees) incurred by Buyer as a result thereof, all in such manner and at such times as Buyer may reasonably direct.
- 6. <u>Satisfaction</u>. Satisfaction by Guarantor of any duty hereunder incident to a particular Default or the occurrence of any other Default shall not discharge Guarantor except with respect to such Default that was satisfied, it being the intent of Guarantor that this Guaranty be continuing until such time as all of the Obligations have irrevocably been discharged in full, at which time this Guaranty shall automatically terminate. If at any time the performance of any Obligation by Seller or Guarantor is rescinded or voided under the federal Bankruptcy Code or otherwise, then Guarantor's duties hereunder shall continue and be deemed to have been

automatically reinstated, restored, and continued with respect to that Obligation, as though the performance of that Obligation had never occurred, regardless of whether this Guaranty otherwise had terminated or would have been terminated following or as a result of that performance.

- 7. Guarantor shall be subrogated to all rights of Buyer against Seller in respect of any amounts paid by Guarantor pursuant to this Guaranty, provided that Guarantor waives any rights it may acquire by way of subrogation under this Guaranty, by any payment made hereunder or otherwise (including any statutory rights of subrogation under Section 509 of the Bankruptcy Code, 11 U.S.C. §509, or otherwise), reimbursement, exoneration, contribution, indemnification, or any right to participate in any claim or remedy of Buyer against Seller or any collateral which Buyer now has or acquires, until all of the Obligations shall have been irrevocably paid to Buyer in full.
- 8. <u>Notice of Acceptance</u>. Guarantor waives and acknowledges notice of acceptance of this Guaranty by Buyer.
- 9. <u>Waivers by Guarantor</u>. Guarantor hereby waives and agrees not to assert or take advantage of:
  - (a) all set-offs, counterclaims, and, subject to Section 5 above, all presentments, demands for performance, notices of non-performance, protests, and notices of every kind that may be required by applicable laws;
  - (b) any right to require Buyer to proceed against Seller or any other person, or to require Buyer first to exhaust any remedies against Seller or any other person, before proceeding against Guarantor hereunder;
    - (c) any defense based upon an election of remedies by Buyer;
    - (d) any duty of Buyer to protect or not impair any security for the Obligations;
    - (e) the benefit of any laws limiting the liability of a surety;
  - (f) any duty of Buyer to disclose to Guarantor any facts concerning Seller, the PPA or the Facility, or any other circumstances, that would or allegedly would increase the risk to Guarantor under this Guaranty, whether now known or hereafter learned by Buyer, it being understood that Guarantor is capable of and assumes the responsibility for being and remaining informed as to all such facts and circumstances;
  - (g) until all Obligations in Default have been fully paid and/or performed, any rights of subrogation, contribution, reimbursement, indemnification, or other rights of payment or recovery for any payment or performance by it hereunder. For the avoidance of doubt, if any amount is paid to Guarantor in violation of this provision, such amount shall be held by Guarantor for the benefit of, and promptly paid to, Buyer; and
  - (h) all defenses based on suretyship, including any defense arising from a matter waived under this Guaranty.

Notwithstanding the foregoing or anything else herein, Guarantor does not waive and shall be entitled to assert any defenses, claims or other rights that are available to Seller (other than bankruptcy or insolvency) and all limitations of liability under the PPA shall also apply to this Guaranty.

- 10. <u>Cumulative Remedies</u>. The rights and remedies of Buyer hereunder shall be cumulative and not alternative to any other rights, powers, and remedies that Buyer may have at law, in equity, or under the PPA. The obligations of Guarantor hereunder are independent of those of Seller and shall survive unaffected by the bankruptcy of Seller. Buyer need not join Seller in any action against Guarantor to preserve its rights set forth herein.
- 11. <u>Representations and Warranties</u>. Guarantor represents and warrants to Buyer as follows:
  - (a) Guarantor is a [corporation,] duly organized, validly existing, and in good standing under the laws of the state of its incorporation. [Seller is a direct or indirect wholly-owned subsidiary of Guarantor.] Guarantor has all necessary corporate power and authority to execute and deliver this Guaranty and to perform its obligations hereunder.
  - (b) The execution, delivery and performance of this Guaranty has been duly and validly authorized by all corporate proceedings of Guarantor and is not in violation of any law, judgment of court or government agency. This Guaranty has been duly and validly executed and delivered by Guarantor and constitutes a legal, valid and binding obligation of Guarantor, enforceable against Guarantor in accordance with its terms.
- 12. <u>Collection Costs.</u> Guarantor hereby agrees to pay to Buyer, upon demand, and in addition to the maximum liability set forth in Section 2 hereof, all reasonable attorneys' fees and other expenses which Buyer may expend or incur in enforcing the Obligations against Seller and/or enforcing this Guaranty against Guarantor, whether or not suit is filed, including, without limitation, all attorneys' fees, and other expenses incurred by Buyer in connection with any insolvency, bankruptcy, reorganization, arrangement, or other similar proceedings involving Seller that in any way affect the exercise by Buyer of its rights and remedies hereunder.
- 13. <u>Severability</u>. Should any one or more provisions of this Guaranty be determined to be illegal or unenforceable, all other provisions nevertheless shall be effective.
- 14. <u>Waiver or Amendment</u>. No provision of this Guaranty or right of Buyer hereunder can be waived, nor can Guarantor be released from Guarantor's duties hereunder, except by a writing duly executed by Buyer. This Guaranty may not be modified, amended, revised, revoked, terminated, changed, or varied in any way whatsoever except by the express terms of a writing duly executed by Buyer.
- 15. <u>Successors and Assigns</u>. Guarantor shall not assign its rights or obligations under this Guaranty without the prior written consent of Buyer, and any assignment without such prior written consent shall be null and void and of no force or effect. This Guaranty shall inure to the benefit of and bind the successors and permitted assigns of Buyer and Guarantor.

- 16. <u>Entire Agreement</u>. This Guaranty reflects the whole and entire agreement of the parties and supersedes all prior agreements related to the subject matter hereof.
- 17. <u>Governing Law.</u> The interpretation and performance of this Guaranty and each of its provisions shall be governed and construed in accordance with the laws of the State of California. The parties hereby submit to the exclusive jurisdiction of the courts of the State of California, and venue is hereby stipulated as San Francisco, California.
- 18. <u>Termination</u>. Guarantor may terminate this Guaranty by providing written notice of such termination to Buyer; <u>provided</u>, <u>however</u>, that such termination by Guarantor shall not be effective unless and until Guarantor has provided replacement Seller Credit Support (as defined in the PPA) in accordance with Article 8 of the PPA. No such termination shall affect Guarantor's liability with respect to any Obligations incurred under the PPA prior to the time the termination is effective, which liabilities remain guaranteed pursuant to the terms of this Guaranty.
- 19. <u>Notices</u>. All notices, requests, claims, demands, and other communications hereunder shall be in writing and shall be given (and shall be deemed to have been duly given upon receipt) by delivery in the manner contemplated by the PPA, addressed as follows:

| (a) | if to Buyer as provided in the PPA |              |
|-----|------------------------------------|--------------|
| (b) | If to Guarantor                    |              |
|     |                                    | Attn: Phone: |
|     | With a copy to:                    |              |
|     |                                    | Attn:        |

or to such other address(es) as the person to whom notice is given may have previously furnished to the others in writing in the manner set forth above.

| IN WITNESS WHEREOF, the Guarantor has caused this Guaranty to be duly executed and delivered by its duly authorized representative as of the day and year first above written. |
|--|
| [Guarantor]  |
| By: Name:  |

Title:

## **EXHIBIT 1**

## QUARTERLY/MONTHLY REPORTS

Each quarterly/monthly report shall include the following items:

- 1. Cover page.
- 2. Brief description of the Facility.
- 3. Site plan of the Facility.
- 4. Description of any material planned changes to the Facility.
- 5. Table showing critical path schedule of major items and activities.
- 6. Summary of major activities in the preceding quarter/month.
- 7. Forecast of major activities scheduled for the current quarter/month.
- 8. Forecast of Commercial Operation Date.

#### EXHIBIT 2

# REQUIRED INSURANCE

Type of Insurance

Minimum Limits of Coverage

or Umbrella policies combined limits.

Commercial General Liability and Excess \$11,000,000 each occurrence and \$11,000,000 general aggregate

Commercial General Liability ("CGL") insurance shall cover liability arising from premises, operations, products/completed operations, bodily injury and property damage, personal injury and advertising injury, sudden and accidental pollution, and liability assumed under an insured contract (including the tort liability of another assumed in a business contract), all with limits as specified above. There shall be no endorsement or modification of the CGL insurance limiting the scope of coverage for liability arising from explosion, collapse, or underground property damage. Sudden and accidental pollution coverage may be placed separately with limits equal to the combined policy limited noted above.

Buyer shall be included as an insured under the CGL policy, using ISO additional insured endorsement CG 20 10 (or a substitute providing equivalent coverage), and under the commercial umbrella or excess insurance. The commercial umbrella or excess insurance shall provide coverage over the top of the CGL insurance, the Business Automobile Liability insurance, and the Employer's Liability insurance.

The CGL and commercial umbrella or excess insurance to be obtained by or on behalf of Seller shall be endorsed or shall otherwise provide as follows:

The CGL insurance as afforded by this policy for the benefit of Buyer shall be primary as respects any claims, losses, damages, expenses, or liabilities arising out of this Agreement, and insured hereunder, and any insurance carried by Buyer shall be excess of and noncontributing with insurance afforded by this policy. Commercial umbrella or excess insurance shall be non-contributory.

Seller shall not be required to have the above mentioned liability insurance coverages until the Commercial Operation Date.

| Business Automobile Liability | \$1,000,000 each accident, including all Owned (if any), |
|-------------------------------|--|
|-------------------------------|--|

Non-Owned, Hired and Leased Autos Business Automobile Liability insurance shall be written on ISO form CA 00 01, CA 00 05, CA 00 12, CA 00 20, or a substitute form providing equivalent liability coverage.

Statutory Requirements. Seller may comply with these Workers Compensation

requirements through the use of a qualified self-

insurance plan.

**Employers Liability** \$1,000,000 bodily injury by accident - each accident;

\$1,000,000 bodily injury by disease - each employee;

\$1,000,000 bodily injury by disease-policy limit.

#### **Builder's Risk**

No later than the date construction begins, Builder's Risk insurance, or an installation floater, shall be written on an "all risk" basis and include earthquake, flood, collapse, hot testing and debris removal. Coverage shall be written on a replacement cost basis for physical damage with reasonable sublimits. The Policy Limits will be based upon Maximum Foreseeable Loss (MFL) which is supported by an engineering assessment or an amount no less than 75% of the hard costs of the Facility.

#### All-Risk Property insurance

Beginning on the Commercial Operations Date, All-Risk Property insurance on a replacement costs bases including coverage for: (i) fire, flood, wind storm, tornado and earthquake and (ii) Machinery Breakdown insurance; all subject to reasonable sublimits. The Policy Limits will be based upon Maximum Foreseeable Loss which is supported by an engineering assessment or an amount no less than 75% of the hard costs of the Facility.

#### **Business Interruption insurance**

Amount required to cover Seller's continuing expenses resulting from full interruption for a period of twelve (12) calendar months.

Business Interruption insurance shall cover loss of revenues attributable to the Facility by reason of total or partial suspension or delay of, or interruption in, the operation of the Facility as a result of an insured peril covered under Property insurance as set forth above, to the extent available on commercially reasonable terms as determined by Buyer, subject to a reasonable deductible which shall be the responsibility of Seller. Notwithstanding any other provision of this Agreement, Seller shall not be required to have Business Interruption insurance until the Commercial Operation Date.

# CITY OF CAMILLA, GEORGIA RESOLUTION NO.: 2021-08-16-2

# EXHIBIT B FORM OF AUTHORIZING RESOLUTION OF SOLAR PARTICIPANT

RESOLUTION OF THE MAYOR & COUNCIL OF THE CITY OF CAMILLA APPROVING AND AUTHORIZING THE EXECUTION OF A POWER PURCHASE CONTRACT BETWEEN THE SOLAR PARTICIPANT AND THE MUNICIPAL ELECTRIC AUTHORITY OF GEORGIA, THE PLEDGE OF THE FULL FAITH AND CREDIT OF THE SOLAR PARTICIPANT TO SECURE ITS PAYMENT OBLIGATIONS THEREUNDER, AND FOR SUCH OTHER PURPOSES.

WHEREAS, pursuant to the Municipal Electric Authority Act (the "Act"), the City of Camilla (the "Solar Participant") has previously entered into one or more Power Sales Contracts (each, as amended, a "Power Sales Contract") with the Municipal Electric Authority of Georgia (the "Authority") for provision of the Solar Participant's bulk electric power supply needs by the Authority from defined projection projects and sources; and

WHEREAS, under one such Power Sales Contract, the Project One Power Sales Contract (the "Project One Power Sales Contract"), the Authority further agreed to provide or cause to be provided additional power needs of the Solar Participant in excess of its entitlement to power supplied under the Project One Power Sales Contract ("Supplemental Power"); and

WHEREAS, the Project One Power Sales Contract provides that the Solar Participant may elect to procure an alternate source of Supplemental Power other than that provided by the Authority from the output of an Authority project; and

WHEREAS, the Authority adopted a Supplemental Power Policy (the "Supplemental Power Policy") under which the Solar Participant and the Authority may make elections regarding provision and procurement of Supplemental Power; and

WHEREAS, the Solar Participant has determined that, in order to meet the growing and diverse energy needs of its customers, it has need for an additional type of economical, reliable source of electric power and energy beyond that provided from the sources available resources of the Authority under the Project One Power Sales Contract and other contracts between the City and the Authority; and

WHEREAS, the Authority has informed the Solar Participant that the Authority has an opportunity to procure a substantial amount of Supplemental Power for a multi-year term through a Power Purchase Agreement with Pineview Solar LLC (the "Company") for the output and services of approximately 80 MWac from a photovoltaic solar energy generation facility located in Wilcox County, Georgia (the "Facility") to be constructed, owned, operated, and maintained by the Company (such agreement, the "Supplemental Power Purchase Agreement" or "SPPA"); and

WHEREAS, in accordance with the Supplemental Power Policy, the Solar Participant has requested that the Authority purchase from the Company power, output and services of the Facility to cause to be provided to the City its Supplemental Power; and

WHEREAS, the Authority has agreed to cause to be provided the Solar Participant's Supplemental Power from the power, output and services of the Facility pursuant to the terms of a Power Purchase Contract (the "PPC") in substantially the form attached as Exhibit A hereto; and

WHEREAS, the Solar Participant finds, and the Solar Participant and the Authority agree that the PPC is supplemental to, and is authorized by, the Project One Power Sales Contract and that the Products (as defined in the SPPA) constitute Supplemental Power as defined in the Supplemental Power Policy; and

WHEREAS, the Solar Participant determines that the Solar Participant's payment obligations for Supplemental Power under the PPC authorized thereby shall constitute the general obligations of the Solar Participant for the payment of which the full faith and credit of the Solar Participant is pledged, obligating the Solar Participant to provide for the assessment and collection of an annual tax sufficient in amount to provide funds annually to make all payments due thereunder; and

WHEREAS, the Mayor & Council desires to approve the PPC; to authorize the execution and delivery of the PPC and other such documents, certificates, and opinions described therein; and authorize such further actions as necessary for the Solar Participant to procure Supplemental Power as provided thereby.

**NOW, THEREFORE, BE IT RESOLVED** by the Mayor & Council of the City of Camilla as follows:

- 1. <u>Incorporation of Recitals</u>. The recitals set forth above are hereby incorporated in the body of this Resolution.
- 2. <u>Findings and Determinations</u>. All findings and determinations contained in the PPC, including the recitals thereto, are hereby incorporated herein by reference, and are hereby adopted as findings and determinations of the [Governing Body] of the Solar Participant.
- 3. <u>Defined Terms</u>. All capitalized terms used herein but not otherwise defined herein shall have the meanings set forth in the PPC.
- 4. <u>Supplemental Power Purchase Agreement</u>. The Mayor & Council of the Solar Participant acknowledges receipt of the form of the SPPA to be executed by the Authority and Company.
- 5. <u>Authorization to Execute PPC.</u> The Mayor & Council of the City of Camilla hereby authorizes the City of Camilla to enter, as a Solar Participant (defined therein) into the PPC in substantially the form attached as <u>Exhibit A</u> hereto, and to perform the same, and the Mayor of the City of Camilla is hereby authorized on behalf of the City of Camilla to execute and deliver the PPC. The Mayor, with the advice of Counsel to the City of Camilla, is authorized to agree to such changes to the PPC as may be necessary prior to execution thereof, and the execution and delivery of the PPC shall be conclusive evidence of such approval. The City Clerk of the City of Camilla is authorized to attest the execution by the Mayor of the City of Camilla and to affix the seal of the City of Camilla to such documents.
- 6. <u>Further Authority</u>. The Mayor & Council hereby authorizes, empowers and directs the City Manager and any necessary representatives of the City of Camilla 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 and intent of this Resolution and the PPC.

- 7. <u>Authorized Representative</u>. The Mayor and City Manager of the City of Camilla are hereby each designated as Authorized Representatives of the City of Camilla, and may execute notices, certificates, requests, estimates and other documents contemplated by the PPC, subject to the limitations contained herein.
- 8. <u>Repeal of Conflicting Resolutions</u>. All resolutions and parts of resolutions in conflict with this Resolution are hereby repealed to the extent of such conflict.
- 9. <u>Effective Date</u>. This Resolution (including the recitals first above written, which are hereby incorporated into this Resolution) shall take effect immediately upon its adoption; a copy of this Resolution may be filed in such offices as the undersigned or such development authority may elect to file this Resolution. All resolutions, or parts of resolutions, in conflict herewith are repealed.

[SIGNATURES BEGIN ON FOLLOWING PAGE]

 $DULY\ ADOPTED$  at a meeting of the Mayor and Council of the City of Camilla, held this  $16^{th}$  day of August, 2021.

City of Camilla, Georgia

Name: Kelvin M. Owens

Title: Mayor

ATTEST:

# **EXHIBIT A**

# FORM OF PPC

[FORM ATTACHED]

#### CERTIFICATE OF CLERK

The undersigned, being the duly appointed, qualified, and acting Clerk of the Mayor & Council of the City of Camilla, **DOES HEREBY CERTIFY** that the foregoing pages of typewritten matter constitute a true and correct copy of a resolution adopted on August 16, 2021, by the Mayor & Council of the City of Camilla in a meeting duly called and assembled, after due and reasonable public notice was given in accordance with the procedures of the City of Camilla and with the applicable provisions of law, which was open to the public and at which a quorum was present and acting throughout, and that the original of such resolution appears of public record in the minute books of the Mayor & Council of the City of Camilla, which are in my custody and control.

| I do hereby further certif<br>meeting except the following me<br>N/A | Ty that all members of the Mayor & Council were present at said embers who were absent: |
|--|---|
| and that the resolution was duly                                     | adopted by the following vote:  |
| The following voted "Aye":   | CAMPBELL, WILLINGHAM, MORGIAN,  |
| The following voted "Nay":   | CAMPBELL, WILLINGHAM, MORGAN, TWITTY, POLLARD, PALMER;                                  |
| The following Did Not Vote:  | N/A   |
| WITNESS my hand and 2021.  | the official seal of the City of Camilla, this 16 <sup>th</sup> day of August,          |
| SEAT   | Clerk Jord  |





August 17, 2021

Municipal Electric Authority of Georgia Atlanta, Georgia

City of Camilla, Camilla, Georgia

Seyfarth Shaw, LLP Atlanta, Georgia

Re:

Power Purchase Contract between the Municipal Electric Authority of Georgia and the City of Camilla

#### Ladies and Gentlemen:

I have acted as Counsel to the City of Camilla (the "Solar Participant") preliminary to and in connection with the authorization and execution of the above-captioned Power Purchase Contract, dated as of August 19, 2021 (the "PPC"), between the Municipal Electricity Authority of Georgia (the "Authority") and the Solar Participant. In so acting, we have examined such documents and matters of law as we have considered desirable to render the opinions hereinafter expressed, including but not limited to the following:

- (a) The Constitution of the State of Georgia of 1983, particularly Article IX, Section III, Paragraph I(a) thereof and various acts of the General Assembly of Georgia relating to the Solar Participant;
  - (b) The PPC;
  - (c) The Project One Power Sales Contract;
- (d) The validation certificate provided pursuant to the order issued by the Superior Court of Fulton County in *State of Georgia v. Municipal Elec. Auth. of Georgia et al.* Civil Action File No. 2018CV37032 (Fulton co. Sup. Ct. July 17, 2018);
- (e) Minutes of the meeting of the City of Camilla of the Solar Participant held on August 16, 2021, authorizing at such meeting the execution of the PPC by the Solar Participant; and

(f) Such other documentation and matters of law as I have deemed necessary,

Whenever I have stated that I have assumed any matter, it is intended to indicate that we have assumed such matter without making any factual, legal or other inquiry or investigation, and without expressing any opinion or conclusion of any kind, concerning such matter. I assume no issue of unconstitutionality or invalidity of a relevant law unless a reported case has so held.

Reference is made to the opinion dated the date hereof of Seyfarth shar LLP, Atlanta, Georgia, as counsel to the Authority, upon which I have relied, with your permission, with respect to all matters related to the validity and enforceability of the Supplemental Power Purchase Agreement (the "SPPA") between the Authority and Pineview Solar LLC and the security pledged thereunder. I have reviewed sufficient information to assume that the project One Power Sales Contract between the Solar Participant and the Authority has been judicially confirmed and validated by order of the Superior Court of Fulton County, Georgia. I have further assumed, in reliance upon the opinion of Seyfarth Shaw, LLP, that the Authority has all requisite power and authority to enter into and perform its obligations under the SPPA, and that the SPPA is a valid and binding agreement, enforceable against the Authority in accordance with its terms.

## Based upon the foregoing, it is my opinion that:

- 1. The PPC has been duly and validly authorized, executed and delivered by the Solar Participant and the provisions thereof which obligate the Solar Participant are legal, valid, and binding obligations of the Solar Participant enforceable in accordance with the terms thereof, under the terms of the PPC, the Solar Participant is obligated to levy a tax, at a rate sufficient, as described in the PPC, on all property in the Solar Participant's jurisdiction subject to such tax, to the extent necessary to generate sufficient revenue to pay its obligations under the PPC.
- 2. To the best of my knowledge and belief after reasonable inquiry, the PPC and the performance of the Solar Participant's obligations thereunder will not conflict with or be in violation of any applicable federal, state, or local law or ordinance or, to the best of my knowledge and belief, be in violation of, or constitute a default under, any agreement or instrument to which the Solar Participant is party or by which the Solar Participant is bound.
- 3. Each official of the Solar Participant who executed the PPC was on the date of the execution thereof, and is on the date hereof, the duly, elected or appointed qualified incumbent of his or her office.
- 4. The notices given prior to each meeting of the Solar Participant at which any action was taken relating to the PPC and the security therefor comply with the applicable notice

requirements of Georgia law, and said meetings were conducted in accordance with all other applicable requirements of Georgia law.

- 5. There is no action, suit, proceeding, inquiry or investigation, at law or equity, by or before any court or public board or body pending or, to the best of my knowledge and belief, after making due inquiry with respect thereto, threatened against or affecting the Solar Participant, nor to my knowledge is there any basis therefore, which in any way questions the creation or existence of the Solar Participant or the powers of the Solar Participant, or which might result in a material adverse change in the condition (financial or otherwise), business or affairs of the Solar Participant or wherein an unfavorable decision, ruling or finding would adversely affect the validity or enforceability of the PPC or any other agreement or instrument to which the Solar Participant is a party and which is used or contemplated by the PPC for which in any way would adversely affect the levy or collection of taxes by the Solar Participant to fulfill its obligations pursuant to the PPC.
- 6. All consents, approvals or authorizations, if any, of any governmental authority or agency or other person required on the part of the Solar Participant in connection with the approval of the PPC, the execution and delivery of the same and the consummation of the transactions contemplated thereby have been obtained, and the Solar Participant has complied with any applicable provisions of law requiring any designation, declaration, filing, registration and/or qualification of the Solar Participant with any governmental authority or agency or other person in connection with such execution, delivery and consummation.

The foregoing opinions are qualified to the extent that the enforceability of the PPC might be limited by (i) bankruptcy, fraudulent transfer, moratorium, insolvency, reorganization, or other laws affecting the enforcement of creditors' rights, (ii) limitations imposed by general principles of equity upon specific enforcement injunctive relief or other equitable remedies, (iii) the exercise of judicial discretion in appropriate cases and (iv) to the following qualifications:

(a) I express no opinion as to the validity or enforceability of any of the following provisions that may be contained therein: (i) any provisions which purport to waive any defense, counterclaim, set off or deduction arising from any violation of applicable federal or state securities or usury laws, any fraud on the part of any other party, any failure to give notice of a disposition of collateral to the extent required under applicable law, any disposition of collateral other than in a commercially reasonable manner, or the effect of any applicable statute of limitation, (ii) any choice of law provisions therein, (iii) any provisions which purport to waive the right to trial by jury or purpose to consent to or waive any objection to the jurisdiction or venue of any particular court, and (iv) any provisions which provide for payment of interest on unpaid interest or which, due to prepayment, acceleration or otherwise, would cause the rate of interest to exceed five percent (5.0%) per month. I also not that any provisions requiring any party to pay the attorneys' fees of any other party may be subject to compliance with applicable

legal requirements and limitations and that the provisions thereof may be subject to the effect of the provisions of law regarding mutual departures from strict contractual terms. Nothing in this paragraph (a) is intended to limit any of the other qualifications or exceptions to my opinions set forth in this letter.

- (b) Enforcement of any warranties and indemnities contained therein may be limited by applicable federal or state securities laws as violations of public policy and may be limited to the extent such indemnities would require any party to indemnify another party for costs, losses, liabilities, claims, damages or expenses incurred by or asserted against such party as a result of action or inaction of such arty constituting negligence. In addition, it is possible that a court would not enforce any warranties or indemnities with respect to environmental matters contained therein.
- (c) With respect to the enforceability thereof, I have assumed that, to the extent that applicable law would require the rights and remedies set forth therein to be exercised in good faith or in a reasonable or commercially reasonable manner as a condition to the enforceability thereof, the persons having remedial rights thereunder will observe and satisfy such legal requirements.

The undersigned's engagement as Counsel to the Solar Participant imposed no duty upon the undersigned to undertake any due diligence investigation as to either: (i) the adequacy of the security for the PPC, (ii) the business or financial condition of the Solar Participant, or (iii) the veracity of any representations or certification made by the City of Camilla on which I have relied. No opinion is expressed as to the federal or state tax-exempt status of the obligations or the interest thereon, or the applicability of the federal securities laws or the Blue Sky laws of any state with respect to the PPC.

The opinions set forth herein are limited to the laws of the State of Georgia and applicable federal laws. The opinions represent my legal judgment based upon our review of the law and the facts that we deem relevant to render such opinion and is not a guarantee of a result.

This opinion letter is rendered as of its date, and I express no opinion as to circumstances or events that may occur subsequent to such date. Further, I undertake no, and hereby disclaim any, obligation to advise you, or any other person permitted to rely hereon, of any change in applicable law or relevant facts or any new development which might affect any matter or opinion set forth herein.

This opinion letter is given solely for the benefit of the addressees and their successors and assigns. This opinion letter is not intended to be employed in any transaction other than the one described above and is being delivered to the addressees with the understanding that it may not be published, quoted, relied on or referred to by, and copies may not be delivered or made available

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to, in whole or in part, any other person or entity (other than the addressees" counsel or any applicable rating agency) or used for any other purpose with the express prior written consent of this firm in each instance.

Sincerely,

DREW ECKL & FARNHAM, LLP

Tommy Coleman

TC/ln

cc Steve Sykes

### ORDINANCE NO. 2021-08-16-1

AN ORDINANCE REPEALING THE EXISTING ALCOHOLIC BEVERAGES ORDINANCE; ADOPTING A NEW ORDINANCE FOR REGULATING THE SALE OF ALCOHOLIC BEVERAGES IN THE CORPORATE LIMITS OF THE CITY OF CAMILLA, GEORGIA; REPEALING ALL PRIOR ORDINANCES IN CONFLICT HEREWITH; AND FOR OTHER PURPOSES.

**WHEREAS**, the Mayor and City Council of the City of Camilla desire to provide for the health, safety, and welfare of the citizens of the City; and

WHEREAS, the Mayor and City Council have determined it necessary to regulate the sale and manufacture of alcoholic beverages within the corporate limits of the City of Camilla to protect the public health, safety, and welfare; and

WHEREAS, the Mayor and City Council have further determined it in the best interest of the City of Camilla and its citizens to impose a specific tax and to establish licensing qualifications and fees, and other regulations in connection with the sale of alcoholic beverages within the corporate limits of the City of Camilla; and

WHEREAS, in order to enforce the provisions required for the regulation of alcoholic beverages it is necessary to repeal an existing alcoholic beverages ordinance;

**NOW, THEREFORE, BE IT ORDAINED** by the Mayor and City Council of the City of Camilla, and it is hereby ordained by authority of the same, as follows:

<u>Section 1</u>. The existing alcoholic beverages ordinance is repealed.

Section 2 The Alcoholic Beverages Ordinance attached hereto as "Exhibit A" is hereby adopted.

Section 3. All ordinances or parts of ordinances in conflict herewith are repealed.

SO ORDAINED this 16th day of AUGUUST, 2021.

SEAL (SEAL)

CITY OF CAMILLA

Mayor, Kelvin Owens

Clerk, Cheryl Ford

FIRST READING: <u>07-19-2021</u> SECOND READING: <u>08-16-2021</u>

## Chapter 2 - ALCOHOLIC BEVERAGES

#### ARTICLE I. - IN GENERAL

#### Sec. 9-2-1. - Definitions.

(a) The following words, terms and phrases, when used in this chapter, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

Alcoholic beverage means and includes all alcohol, distilled spirits, beer, malt beverages, wine or, fortified wine.

Bar means any establishment (by whatever name it may be known including but not limited to bar, barroom, club, juke joint, honky-tonk, nightclub, pool hall, pool room, pub, recreation center and any other like or similar name describing the same or similar type of activity) which holds any consumption on premises alcoholic beverage license but which does not meet the requirements of restaurant, private club or licensed alcoholic beverage caterer as defined herein.

*Brewpub* means any bona fide food service establishment in which beer or malt beverages are manufactured or brewed subject to the barrel production limits and regulations under state law.

Brown bagging means the bringing of alcoholic beverages into business establishments licensed for the retail sale of malt beverages, wine or distilled spirits by the drink for the purpose of drinking such alcoholic beverages at any such establishment.

*Church* means any permanent building where persons regularly assemble for religious worship.

City means the City of Camilla and when used in a geographical sense means the territorial limits of the City of Camilla.

City clerk means the city clerk of the City of Camilla.

City council means the city council of the City of Camilla.

Distilled spirits means any alcoholic beverages obtained by distillation or containing more than 24 percent alcohol by volume, including, but not limited to, all fortified wines.

Fixed salary means the amount of compensation paid to any member, officer, agent or employee of a private club as may be fixed for him by its members at a prior annual meeting or by the governing body out of the general revenue of the club and shall not include any commission on any profits from the sale of alcoholic beverages. For the purposes of this definition, tips or gratuities which are added to bills of members and their guests under club regulations shall not be considered as profits from the sale of alcoholic beverages.

Food caterer means any person who prepares food for consumption off the premises.

Fortified wines means any alcoholic beverage containing more than 24 percent alcohol by volume made from fruits, berries or grapes either by natural fermentation or by natural fermentation with brandy added. The term "fortified wine" includes, but is not limited to, brandy.

*Grocery store* means a business which holds a grocery store retail business license issued by the city, and which:

- (1) Is engaged primarily in the retail sale of food and beverage items by the package designed for nonpremises consumption; and
- (2) Maintains at no time a retail inventory of alcoholic beverages which in more than 30 percent, valued at its retail sales price, of the total retail inventory of merchandise of such business, valued at its retail sales price.

*Interest* includes any pecuniary interest and any ownership interest, whether present or future, whole or partial, legal or beneficial, contingent or vested, direct or indirect, and any right, power, or authority of control.

Legal age means the age established by O.C.G.A. § 3-3-23, as amended from time to time, as the age below which alcoholic beverages may not lawfully be sold to, furnished to, purchased by or possessed by a person.

*License* means the authorization granted by the city to engage in the sale of specified alcoholic beverages upon the premises so licensed for a calendar year, or the remaining portion of a calendar year.

Licensed alcoholic beverage caterer means any retail dealer who has been licensed pursuant to article VI of this chapter.

Licensed premises includes not only the room wherein alcoholic beverages are sold or served but also the entire building in which such room is located, except that when such a room is located in a hotel, motel, or similar facility or in a shopping center only such room and any adjoining storage, office, toilet, and other similar rooms shall constitute the "licensed premises."

Licensee means a person holding a license issued pursuant the terms of this chapter.

License Holder means licensee.

Lounge means a separate room connected with a part of and adjacent to the premises of a restaurant or its adjacent lobby or reception area, with all booths, stools, and tables located therein being open to view only from within the lounge, with a seating capacity of at least 20 persons, and with all access and all exits to and from the lounge opening into such restaurant or the lobby or reception area adjoining such restaurant except for emergency exits or exits used solely as service doors.

Malt beverages means any alcoholic beverage obtained by the fermentation of any infusion or decoction of barley, malt hops or any other similar product, or any combination of such products in water, containing not more than fourteen (14) percent alcohol by volume and including ale, porter, brown, stout, lager beer, small beer and strong beer provided that the term "malt beverage" does not include sake, also known as Japanese rice wine.

Malt beverage taproom means exception to Georgia providing a license to manufactured malt beverages granting the right to sell up to 3000 barrels of malt beverages per year produced at the licensed premise as governed by O.C.G.A. § 3-5-24.1.

Manager means the individual who supervises the regular operations of a business licensed under this chapter and who is physically present on site at such business (a) at least 35 hours per week, or (b) at least 90 percent of the hours such business is open to the public, whichever is less.

Package means a bottle, can, keg, barrel or other original consumer container.

*Premises* means the space or area owned, leased, or controlled by the licensee and used by the licensee for the purpose of operating under the license and shall include that area circumscribed by the property lines of the property for which an alcoholic beverage license is issued by the city; except that in the case of hotels and motels, the term "premises" shall include only that portion of the property where alcoholic beverages are sold, delivered, or served.

*Private club* means a nonprofit organization which is organized under state law which meets each of the following requirements:

- (1) Has either a tax exempt status under section 501 of the United States Internal Revenue Code or operates pursuant to a charter from a state or national parent organization which has such tax exempt status;
- (2) Has been in existence at least one year prior to the filing of its application for an alcoholic beverage license to be issued pursuant to this chapter;
- (3) Has at least 50 members paying dues on a regular periodic basis;
- (4) Is organized and operated exclusively for the pleasure and recreation of its members and their guests or for other nonprofitable purposes;
- (5) Has facilities which are available for use only by the membership thereof and their guests and not by the general public;
- (6) Owns, rents or leases a building or space within a building for facilities for the use of its members and their guests;
- (7) Maintains kitchen and dining room space, equipment and items necessary to appropriately provide food service of full course meals for its members and their guests;
- (8) Is staffed with a sufficient number of employees for the preparation and service of meals for its members and their guests;
- (9) Has no member, officer, agent or employee directly or indirectly receiving, in the form of salary or other compensation, any profits, beyond a fixed salary, from the sale of alcoholic beverages to the club or to its members or their guests; and
- (10) Has such licenses as are required for the operation thereof.

Restaurant means a business kept, used, maintained, advertised and held out to the public as a place where meals are actually and regularly prepared and served for a period of at least five hours per day on at least five days per week with the exception of (i) holidays, (ii) vacations not exceeding two weeks duration, and (iii) periods of redecorating not exceeding 30 calendar days duration except to the extent extended by the city council in its discretion upon request therefor; and which meets all of the following requirements:

- (1) Meets all health and sanitation requirements for food service establishments required under applicable federal, state and local laws, codes, ordinances, rules and regulations;
- (2) Maintains upon the premises thereof in operative condition cooking and kitchen facilities and equipment appropriate to accommodate the preparation of meals for 20 food service customers at one time;
- (3) Maintains upon the premises thereof seating facilities, at booths or tables designed for food service, sufficient for at least 20 food service customers at one time, not including

seating provided by counters and stools, with booths and tables for purposes hereof being large enough to adequately accommodate at least two place settings of cutlery and dishes;

- (4) Maintains at all times such additional facilities, equipment and items as well as employees as shall be necessary for the cooking, preparation and service of meals for consumption at tables or booths located upon the premises for at least 20 food service customers at one time;
- (5) Is at all times during the hours of operation thereof prepared to serve full course meals with substantial entrees from a substantial variety of culinary choices, or substantial substitutes therefor, chosen by food service customers from a printed menu available to all food service customers at prices which are competitive with other restaurants in the community whether or not such other restaurants engage in the sale of alcoholic beverages; and
- (6) Derives at least 60 percent of its total gross food and beverage sales from the sale of full course meals prepared, served and consumed upon the premises thereof.

*Retail sale* means the sale or offer of sale of any alcoholic beverage to any member of the public.

Wine means any alcoholic beverage containing not more than 24 percent alcohol by volume made from fruits, berries or grapes either by natural fermentation or by natural fermentation with brandy added. The term includes, but is not limited to, all sparkling wines, champagnes, combination of such beverages, vermouths, special natural wines, rectified wines and like products. The term does not include cooking wine mixed with salt or other ingredients so as to render it unfit for human consumption as a beverage. A liquid shall first be deemed to be a wine at that point in the manufacturing process when it conforms to the definition of wine contained in this section.

- (b) As used in this chapter, the singular and the plural shall each include the other, the masculine and feminine shall each include the other, and any verb tense may include any other verb tense.
- (c) As used in this chapter, the term "may" is permissive and the term "shall" is mandatory.

## Sec. 9-2-2. - Activities are privileges.

The manufacture, distribution, sale and possession of alcoholic beverages within the city are privileges and not rights with any privilege with respect thereto granted pursuant to this chapter to the holder of any alcoholic beverage license being held and enjoyed only for so long as the holder of such license issued pursuant to this chapter shall fully and completely comply with all provisions of this chapter.

# Sec. 9-2-3. - Compliance required.

No person shall:

(1) Distribute, sell, or offer to sell, either at retail or wholesale, any alcoholic beverage in the city except to the extent permitted pursuant to a current alcoholic beverage license issued by the city;

- (2) Distribute, handle, possess, sell, or offer to sell any alcoholic beverage in the city in violation of any provisions of this chapter or any provision of any law or regulation of the state relative to any alcoholic beverage;
- (3) Distribute, handle, possess, sell or offer to sell any alcoholic beverage in the city except in compliance with the provisions of this chapter.

# Sec. 9-2-4. - Sales permitted.

The sale of malt beverages, wines and distilled spirits, subject to the provisions of this chapter, as this chapter may be amended from time to time, are permitted in the city.

## Sec. 9-2-5. - Consumption in public places.

Except to the extent otherwise specifically permitted, no person shall consume any alcoholic beverage while such person is located in or upon any public street, road, alley, lane or sidewalk of the city or upon the premises of any building owned or leased by the city or upon the premises of any other property, either real or personal, owned or leased by the city. Functions sponsored by the city or any other governmental unit shall be exempt from this prohibition.

## Sec. 9-2-6. - Open containers.

Except to the extent otherwise specifically permitted, no person shall have in such person's possession any package which contains an alcoholic beverage which has been opened or the seal of which has been broken while such person is located in or upon any public street, road, alley, lane, or sidewalk of the city or upon the premises of any building owned or leased by the city or upon the premises of any other property, either real or personal, owned or leased by the city.

### Sec. 9-2-7. - False and misleading statements.

No person shall make, cause to be made, or present to the city any application for issuance, application for renewal, report, or other notification with respect to any alcoholic beverage license issued or sought to be issued or renewed by the city or any tax on alcoholic beverages due to the city which contains as of the date made or presented, any untrue or misleading statement or representation.

# Sec. 9-2-8. - Brown-bagging prohibited.

It shall be unlawful for a licensee to allow customers to bring onto the licensed premises their own alcoholic beverages, which is known as "bring your own bottle" (BYOB) or "brownbagging".

### Sec. 9-2-9. - Knowledge of chapter.

The holder of any alcoholic beverage license as well as all employees, agents and servants of any business in which such alcoholic beverage license is utilized shall be conclusively presumed, for purposes of this chapter, to have at all times complete and full knowledge of all provisions of this chapter.

## Sec. 9-2-10. - Notification to state revenue department of violations.

Upon determination of the existence of circumstances which are required pursuant to the provisions of O.C.G.A. § 3-3-21 to be reported to the state department of revenue, the City shall

promptly report the existence of such circumstances to the state department of revenue as required.

# Sec. 9-2-11. - Criminal conviction not required.

Any proceeding or action which may be taken by the city with respect to the suspension or revocation of any alcoholic beverage license or the grant, denial or renewal of any such license shall be and are administrative in nature with respect to the privileges of the holder of such license and the right of such holder to continue to engage in the sale of alcoholic beverages in accordance with the provision of this chapter. No conviction, dismissal, acquittal, other plea or other disposition with respect to any criminal violation involving the sale, distribution or possession of alcoholic beverages or any other alleged criminal conduct shall be necessary for any action by the city pursuant to the provisions of this chapter relative to any such license or otherwise effect any action taken by the city relative thereto.

## Sec. 9-2-12. - Violation and penalties.

- (a) It shall be unlawful for any person to violate any of the provisions of this chapter.
- (b) The following guidelines for the disposition of alcoholic beverage license violations are hereby adopted. It is emphasized that these are guidelines only and can be altered based upon the facts of any individual case. The guidelines for disposition of alcoholic beverage license violations are as follows:
  - (1) First offense within past two years: 30 days suspension and \$150.00 reinstatement fee;
  - (2) Second offense within past two years: 90 days suspension and \$250.00 reinstatement fee; unless
  - (3) Second offense within past 12 months: Revocation;
  - (4) Third offense within past two years: Revocation.

Secs. 9-2-13—9-2-29. - Reserved.

#### ARTICLE II. - MINIMUM AGE

### Sec. 9-2-30. - Presence of persons not of legal age.

No person, who is the holder of any alcoholic beverage license issued by the city nor any agent, servant or employee of the business in which any such license is utilized, shall in connection with the operation of the business in which such license is utilized, permit or allow any person who has not attained legal age to be or remain upon the premises licensed if such business is a bar as defined herein.

# Sec. 9-2-31. - Consumption by persons not of legal age.

No person, who is the holder of any alcoholic beverage license issued by the city nor any agent, servant or employee of the business in which any such license is utilized, shall in connection with the operation of the business in which such license is utilized, permit or allow any person who has not attained legal age to consume any alcoholic beverage upon the premises licensed.

# Sec. 9-2-32. - Possession by persons not of legal age.

No person, who is the holder of any alcoholic beverage license issued by the city nor any agent, servant, or employee of any business in which any such license is utilized, shall in connection with the operations of the business in which such license is utilized, except as otherwise specifically provided in this chapter, permit or allow any person who has not attained legal age to possess any alcoholic beverage upon the premises licensed.

# Sec. 9-2-33. - Furnishing to persons not of legal age.

No person, who is the holder of any alcoholic beverage license issued by the city nor any agent, servant or employee of the business in which any such license is utilized, shall in connection with the operation of the business in which such license is utilized sell, provide, give, furnish or distribute any alcoholic beverage to any person who has not attained legal age. Notwithstanding the foregoing, no person shall be in violation of the provisions hereof in the event that (i) such person has been furnished with identification showing that the person who is being furnished with alcoholic beverages has attained legal age and (ii) under the surrounding circumstances the person so furnished such identification could reasonably conclude that the person furnishing such identification had attained legal age. For purposes of this section, the term "identification" means any document issued by a governmental agency containing a description of the person such as the person's photograph or other written description of and providing the person's date of birth, and shall include, without being limited to, a passport, a military identification card, or a driver's license.

### Sec. 9-2-34. - Acquiring for persons not of legal age.

No person, who is the holder of any alcoholic beverage license issued by the city nor any agent, servant or employee of the business in which any such license is utilized, shall in connection with the operation of the business in which such license is utilized purchase or acquire any alcoholic beverage for or on behalf of any person who has not attained legal age, or otherwise procure for or furnish to any person who has not attained legal age any alcoholic beverage.

# Sec. 9-2-35. - Employment of persons not 18 years of age.

- (a) No holder of an alcoholic beverage license nor any agent, servant or employee of any business in which such license is utilized shall permit or allow any person who has not attained 18 years of age and who is employed by any business operated upon premises for which an alcoholic beverage license is issued by the city to engage in the sale, distribution, or acceptance of orders for alcoholic beverages; provided, however, that the provisions hereof shall not apply to nor prohibit persons who have not attained 18 years of age who are employed by a business in connection with the operation at such premises of a grocery store, as such term is defined in this chapter from engaging in the sale, distribution, and handling of alcoholic beverages at such premises in connection with employment in the operation of such business.
- (b) No holder of an alcoholic beverage license nor any agent, servant or employee of any business in which such license is utilized shall permit or allow any person who has not attained 18 years of age to be employed by any business operated upon premises for which a license for the consumption of alcoholic beverages upon such premises is issued by the city; provided, however, that the provisions of this subsection shall not apply to nor prohibit the employment of persons who have not attained 18 years of age in connection with the operation upon such premises of a restaurant, provided further, that persons who have not attained 18 years of age shall not engage in the sale, service, or acceptance of orders of alcoholic beverages in connection with the operation of any such restaurant.

### Sec. 9-2-36. - Failure to check identification.

No person who is the holder of any alcoholic beverage license issued by the city nor any agent, servant or employee of the business in which any such license is utilized shall in connection with the operation of the business in which such license is utilized fail to require or check the identification of the person to whom any alcoholic beverage is sold or furnished prior to the sale, furnishing or distribution of any alcoholic beverage or any person who has not attained legal age. No person shall be in violation of the provisions hereof in the event that (i) such person has been furnished with identification showing that the person who is being furnished with alcoholic beverages has attained legal age and (ii) under the surrounding circumstances the person so furnished such identification could reasonably conclude that the person furnishing such identification had attained legal age. For purposes of this action, the term "identification" means any document issued by a governmental agency containing a description of the person such as the person's photograph or other written description and providing the person's date of birth, and shall include, without being limited to, a passport, a military identification card, or a driver's license.

Secs. 9-2-37—9-2-60. - Reserved.

#### **ARTICLE III. - LICENSES**

### Sec. 9-2-61. - License required for sales.

No person shall sell or offer to sell any alcoholic beverages which is permitted to be sold in the city pursuant to the provisions of this chapter unless such sale is made or is to be made pursuant to the authority of a current effective alcoholic beverage license issued by the city pursuant to the provisions of this chapter.

#### Sec. 9-2-62. - Classification of licenses.

Alcoholic beverage licenses authorized to be issued by the city and required pursuant to the provisions of this chapter to be held for the sale of alcoholic beverages are classified as follows:

- (1) Wholesale malt beverage license;
- (2) Retail malt beverage package license;
- (3) Retail malt beverage consumption license;
- (4) Wholesale wine license;
- (5) Retail wine package license;
- (6) Retail wine consumption license; and
- (7) Wholesale distilled spirits license.
- (8) Retail distilled spirits package license.
- (9) Retail distilled spirits consumption license.
- (10) Brewpub or Taproom license.
- (11) Alcoholic beverage caterer (includes malt beverage, wine, and distilled spirits)
- (12) Special event permit.
- (13) One-day license for charitable organizations.

### Sec 9-2-63 – Zoning requirements; exceptions.

No license for the sale of spirituous liquors or distilled spirits shall be granted for a business location in any district designated as R-1 residential, R-2 residential, and R-3 residential under the 2018 Zoning Ordinance for the City of Camilla, effective date of October 8, 2018. Private clubs, patriotic organizations, or fraternal organizations meeting all the requirements of section 9-2-89 are excepted if in compliance with such zoning regulations.

# Sec. 9-2-64. - Qualifications for license.

No alcoholic beverage license required by the provisions of this chapter shall be issued to any person or for any location unless and until it has been successfully demonstrated to the satisfaction of the city council that:

(1) Such person, or the person who shall actually and actively be in charge and management of the day to day operation of the business in which such license shall be utilized is a citizen of the United States of America;

- (2) Such person by reason of such person's business experience, financial standing, moral character, mental capacity, physical capacity, trade associations, record of arrest, and reputation in communities in which he has lived is, in the opinion of the city council, likely to operate the business in which the license will be utilized in conformity with federal, state and local laws, ordinances, rules, regulations, and requirements, including particularly the provisions of this chapter and the laws, rules and regulations of the state and the United States relative to the manufacture, sale, and distribution of alcoholic beverages, and, in making such determination, the city council shall, in addition to the other and further provisions of this section, consider all information that would be considered by the city council if this person was being denied a renewal license pursuant to the requirements of section 9-2-82 or, if this person was having his license suspended or revoked pursuant to the requirements of section 9-2-86; provided further that no license shall be issued to or for:
  - a. Any person whose business in which the license will be utilized is conducted by a manager or agent unless such manager or agent possessed and meets all of the qualifications required hereunder for the holder of an alcoholic beverage license and would not be prohibited from being the holder of such a license;
  - b. A partnership unless all partners, members and managers of such partnership, as well as the manager of the business in which the license will be utilized, possess and meet all of the qualifications for the holder of an alcoholic beverage license and would not be prohibited from being the holder of such a license;
  - c. A corporation unless all officers thereof, all directors thereof and all shareholders thereof who shall either directly or beneficially as such word is defined and utilized in the Internal Revenue Code of the United States and regulations issued pursuant thereto own more than 20 percent of the outstanding shares of stock thereof, as well as the manager of the business in which the license will be utilized, possess and meet all of the qualifications for the holder of an alcoholic beverage license and would not be prohibited from being the holder of such a license;
  - Any person who has been convicted, has entered a plea of nolo contendere or has forfeited a bond with respect to any felony within ten years prior to the filing of any such application or with respect to any misdemeanor within five years prior to the filing of any such application including particularly but not being limited to those offenses involving force or violence, prostitution, gambling, or tax law violations in the event that such conviction, plea or bond forfeiture tends to indicate, in the opinion of the city council, that the applicant may not maintain or operate the business in which the alcoholic beverage license sought by the applicant would be utilized in conformity with federal, state or local laws, rules and regulations. The terms "felony" and "misdemeanor" as used in this subsection shall include the violation of any criminal law of the United States of America, the state, or any other state of the United States of America; provided that the term "misdemeanor" shall not include those violations which are commonly referred to as "traffic violations." The term "conviction" as used in this subsection shall include an adjudication of guilt, plea of guilty, a plea of nolo contendere or the forfeiture of a bond by a person charged with a crime. Notwithstanding the foregoing, the city council, in its sole discretion, may decide to authorize the issuance of a license to a

person who has in the past been convicted of, plead guilty to, entered a plea of nolo contendere to, or forfeited a bond on any crime when, after a thorough investigation of all the facts including parole or probation officer's reports, judge's recommendations, and any other evidence bearing on the character of the applicant, it has determined, in the sole discretion of the city council, that such action is in keeping with the ends of justice and the public interest and welfare;

- Any person who has been convicted of, has entered a plea of nolo contendere to, or forfeited a bond to any charge of violation of any state, federal, or local law involving the manufacture, sale, distribution, or possession of alcoholic beverages, contraband, or any "controlled substances" as such term is utilized under laws of the state, or any other substance, the control or possession of which is controlled or prohibited under laws of the state or the United States of America, or any other state of the United States. The term "conviction" shall include an adjudication of guilt, plea of guilty, a plea of nolo contendere or the forfeiture of a bond by a person charged with a crime. Notwithstanding the foregoing, the city council, in its sole discretion, may decide to authorize the issuance of a license to a person who has in the past been convicted of, plead guilty to, entered a plea of nolo contendere or forfeited a bond on any crime when, after a thorough investigation of all the facts including parole or probation officer's reports, judge's recommendations, and any other evidence bearing on the character of the applicant, it has determined, in the sole discretion of the city council, that such action is in keeping with the ends of justice and the public interest and welfare;
- f. Any person who as either the previous holder of any alcoholic beverage license issued by any authority, or as a party interested in any business in which any alcoholic beverage license issued by any authority was utilized, either conducted, or allowed the conduct of, the business with respect to which such license was issued in such a manner as to cause, in the opinion of the city council, greater than normal police activity, observation or inspection in order to prevent the violation of any law or regulation either relating to such license or the business associated therewith or in order to maintain public order;
- g. Any location not suitable therefor, in the opinion of the city council, because of either traffic congestion or the general character of the neighborhood or by reason of the effect which the utilization of such license at such location would have upon adjacent and surrounding properties or upon adjacent neighborhoods;
- h. Any location for which there is an unpaid or unsatisfied tax or other financial obligation due to the city which is not then the subject of appeal or litigation;
- i. Any person who has not attained the age of 21 years;
- j. Any person who either held any alcoholic beverage license issued by any authority which was revoked by such authority within a one-year period immediately prior to the date of the filing of an application or was a party interested in any business in which any alcoholic beverage license issued by any authority was revoked by such authority within the one-year period prior to the date of the filing of an application;

- k. (a) With regard to distilled spirits any location within 100 yards of any church building or within 200 yards of any school building, educational building, school grounds, or college campus.
  - (b) With regard to wine or malt beverages any location within 100 yards of any school building, school grounds, or college campus. This provision shall not prohibit the sale of wine and malt beverages at a grocery store within 100 yards of any school building, school grounds, or college campus, provided that the grocery store has at least 10,000 square feet of floor space of which 85 percent is reserved for the sale of food.
  - (c) Other restrictions as provided in O.C.G.A. § 3-3-21 are hereby adopted and made part of this ordinance.
- I. Any location at which the utilization of the licensee would cause or create any violation of the zoning ordinance of the city or of the building code or fire code of the city;
- m. Any location at which an alcoholic beverage license has previously been suspended or revoked by either the city or the state department of revenue and where, in the opinion of the city council, there exists the likelihood that the utilization of such license at such location would cause or necessitate greater than normal police activity, observation or inspection in order to either prevent violation of laws and regulations relating to such location or to maintain public order, due to the history of either (i) violations of the provisions of this chapter or of the laws, rules and regulations of the state relative to alcoholic beverages by the holder of the previous license at such location or agents, servants or employees thereof or (ii) activities or conduct of patrons of the business in which such previous license was utilized at such location, all as compared to the locations of other licenses, or would cause or tend to cause, in the opinion of the city, council, greater than normal community problems or conflict as compared to the locations of other licenses;
- n. Any location at which an alcoholic beverage license has previously been suspended or revoked by either the city or the state department of revenue and where, in the opinion of the city council, problems associated with the utilization of a prior alcoholic beverage license at such location were such that it would not be in the best interest of the public health, safety or welfare to grant any other alcoholic beverage license for such location;
- o. Any person or any location with respect to which the granting or utilization of a license would constitute a violation of laws, rules or regulations of the state; or
- p. Any person with respect to whom information is required under subsection 9-2-66(2), (3) or (4) who has not paid or satisfied any tax or other financial obligation due to the city which is not then the subject of appeal or litigation.

#### Sec. 9-2-65. - Location.

Not withstanding any other provision of this article, the location with respect to which an alcoholic beverage license has been issued by the city shall remain eligible for issuance of alcoholic beverage licenses by the city notwithstanding subsequent changes which would

otherwise render the locations nonlicensable under subsection 9-2-64(2)k. for so long as an alcoholic beverage license remains issued for such location by the city and further provided that in the event of the termination of any such license issued with respect to such location the location itself shall thereafter remain eligible for the issuance of alcoholic beverage licenses if within six months following such termination an alcoholic beverage license is issued by the city for such location.

### Sec. 9-2-66. - Applications.

Prior to the issuance of any alcoholic beverage license, the applicant therefor shall file with the city an application, in such form and substance as shall from time to time be determined by the city manager, and an application fee provided for in this article. Upon approval by the City Council, the applicant shall provide approved payment of the license fees and the license shall be issued. Applications for alcoholic beverage licenses shall be presented to the Planning and Zoning Department or designee, and shall be signed by the applicant if an individual, or by all partners if a partnership, or by a duly authorized agent if a corporation, shall be verified by oath or affidavit, shall contain the following statements and information and shall otherwise meet the following requirements:

- (1) In the case of an individual applicant who will actually and actively be in charge and management of the day to day operation of the business in which the license applied for will be utilized, then the name, age, sex, height, weight, birthdate, social security number, current residence address, business addresses, and all previous such addresses of the applicant within the last ten years;
- (2) In the case of an individual applicant who will not actually and actively be in charge and management of the day to day operation of the business in which the licensee applied for will be utilized, then the name, age, sex, height, weight, birthdate, social security number, current residence address, business addresses, and all previous such addresses within the last ten years of both the applicant and the person who will actively manage such business;
- (3) In the case of a partnership, then the name, date and location of formation, federal tax identification number, current principal business address, and all prior business addresses within the past ten years of such partnership as well as the name, age, sex, height, weight, birthdate, social security number, current business address, current residence address, and all prior such addresses within the past ten years of all partners, members and managers of such partnership and the manager or managers of the business in which the license applied for will be utilized;
- (4) In the case of a corporation, then the name, date and location of incorporation, federal tax identification number, current principal business address, name and address of registered agent in the state for service of process, and all prior business addresses within the last ten years of such corporation as well as the name, age, sex, height, weight, social security number, current business address, current residence address, and all prior such addresses within the last ten years of all officers thereof, all directors thereof, and all shareholders thereof who own either directly or beneficially, as such word is defined and utilized in the Internal Revenue Code of the United States and regulations issued pursuant thereto, more than 20 percent of the outstanding shares of

- stock thereof, and of the manager or managers of the business, in which the license applied for will be utilized;
- (5) A statement with respect to whether the applicant or any person with respect to whom information is required under subsection (2), (3) or (4) of this section has made at any prior time any application to any governmental entity for any alcoholic beverage license of any nature and, if so, the circumstances thereof, including the disposition and current status thereof, all in sufficient detail to evaluate such application;
- (6) A statement with respect to whether the applicant or any person with respect to whom information is required under subsection (2), (3) or (4) of this section has ever held any alcoholic beverage license issued by any governmental entity, the circumstances thereof, and the present status of such license all in sufficient detail to evaluate such application;
- (7) A statement with respect to whether the applicant or any person with respect to whom information is required under subsection (2), (3) or (4) of this section has ever held any alcoholic beverage license issued by any governmental entity which has been suspended or revoked and, if so, the circumstances thereof, all in sufficient detail to evaluate such application;
- (8) A statement with respect to whether the applicant or any person with respect to whom information is required under subsection (2), (3) or (4) of this section has ever been convicted of, entered a plea or nolo contendere to, or forfeited a bond on, any crime other than traffic violations and, if so, the nature and circumstances thereof, all in sufficient detail to evaluate such application;
- (9) A statement with respect to whether any person or entity other than the applicant and those persons with respect to whom information is required under subsection (2), (3) or (4) of this section is or will be either directly or indirectly interested in the profits or losses of the business in which the license applied for will be utilized and, if so, the circumstances thereof, all in sufficient detail to evaluate such application;
- (10) The classification of license applied for;
- (11) The location with respect to which the license will be utilized and the name and nature of the business in which the license will be utilized, all in sufficient detail to evaluate such application;
- (12) A statement that both the applicant and all other person's with respect to whom information is required under subsection (2), (3) or (4) of this section are fully qualified in all respects under this chapter to be the holder of an alcoholic beverage license issued by the city and that all such persons are entitled to have the license requested issued in accordance with the provisions of this chapter;
- (13) A statement that the location with respect to which the licensee is sought meets all conditions, qualifications and criteria established in this chapter for the location of a business utilizing the alcoholic beverage license applied for;
- (14) Such other information and statements as shall from time to time be required by the city manager or the city council;

- (15) A Georgia government I.D., such as a state driver's license, taken within the past three years of the applicant and all persons with respect to whom information is required under subsection (2), (3) or (4) of this section; and
- (16) Written consents of the applicant and all persons with respect to whom information is required under subsections (2), (3) or (4) of this section that the city has the continuing permission and authority of all such persons to monitor the public records of the city, county, the state and of the United States to ensure on-going compliance with the statements set forth in subsections (7) and (8) of this section. Any license granted upon an application that does not contain such written consent shall automatically expire at midnight on December 31 of the year in which issued. Such license cannot be renewed under the provisions of sections 9-2-77 and 9-2-79. Rather, the city shall treat the request for renewal for such license as an application for a new license under section 9-2-66.

## Sec. 9-2-67. - Designation of agent.

All applicants for alcoholic beverage licenses made by a corporation or a partnership shall name in the application one or more persons as the agent and representative for the corporation or partnership to receive all communications, notices, service of process or other papers or documents on behalf of the corporation or partnership in connection with any matter arising out of or connected with the issuance, holding, suspension, revocation or other action with respect to any such license. The application shall give the mailing address of such person, or persons, with the mailing of any notice to any such person at the address so furnished being sufficient notice to the corporation or partnership. If any such person shall cease to be the agent and representative of such corporation or partnership, another person shall immediately be appointed by the license holder and written notice shall be given the city stating the name and address of such new agent and representative.

### Sec. 9-2-68. - Application fee.

The application for an alcoholic beverage license shall be accompanied by a city approved form of payment in the amount as set forth in the Master Fee Schedule on file in the office of the city clerk as an application fee to cover the cost of processing the application and conducting necessary investigations, which fee shall be nonrefundable upon denial of the application and shall not apply toward any licensee fee or excise tax payable by the licensee if the application is granted.

#### Sec. 9-2-69. - Investigation of application.

Upon receipt by the Planning and Zoning Department or designee of any application for an alcoholic beverage license, such application shall be forwarded to the chief of police for investigation, who, following such investigation, shall report his findings with respect thereto in writing.

#### Sec. 9-2-70. - Recommendation.

The Chief of Police shall conduct investigation and study with respect to an application for the issuance of an alcoholic beverage license as he shall deem necessary and shall report the investigation and study to the city manager together with his recommendation, if any, as to what action should be taken with respect to the grant or denial of the application for such license and the city manager shall in turn conduct such additional investigation as he shall deem necessary and report the investigation to the city council with his recommendation as to what action should be taken with respect to the grant or denial of the application for such license.

### Sec. 9-2-71. - Grant or denial of application.

- (a) Following receipt by the city council of an application for an alcoholic beverage license together with the written report of the chief of police and the written recommendations relative thereto, the city council shall either:
  - (1) Grant such application and direct issuance of a license in connection therewith subject to compliance with the provisions of this chapter; or
  - (2) Table action on such application pending a hearing on such application as provided in this section.
    - If such application is so tabled by the council then the city manager shall cause a written notice to be issued to the applicant requiring such applicant to show cause, if any the applicant can, at a hearing at a time and place specified therein which shall not be less than five nor more than 30 days from the date of service of the notice by mail or otherwise upon the applicant as to why the application should not be denied as well as written notice of the findings of the chief of police, the recommendation of the City Clerk relative to such application, if any, and the recommendation of the city manager relative thereto.
- (b) The hearing provided for above, which need not be a regular meeting of the city council, may be continued by announcement at such time and place due to the lack of a quorum of the city council or request of the applicant or for good cause shown. At such hearing the applicant shall have the opportunity to show cause why the application should be granted and should not be denied and shall be entitled to the opportunity to present evidence, to present witnesses, to cross examine witnesses presenting evidence against granting of the application, to be represented by an attorney, and to have the proceedings transcribed or recorded at the applicant's expense, all in accordance with such rules and procedures as may be adopted from time to time by the city council relative thereto.
- (c) Following the conclusion of such hearing the city council shall, at a regular or called meeting thereof within 30 days of the date of such hearing, render its decision regarding the grant or denial of such application.
- (d) Upon the denial of such application, the city manager shall cause the applicant to be notified in writing within ten days of such decision of the nature of the decision and the reasons therefor and shall cause to be returned to the applicant the licensee fee tendered in connection with the application but not the application fee which shall be nonrefundable.
- (e) Upon the grant of such application the city manager shall promptly notify the applicant thereof and the Planning and Zoning Department shall promptly proceed to cause the license applied for to be issued.

#### Sec. 9-2-72. - Issuance of license.

Upon the approval of an application for an alcoholic beverage license by the city council, the Planning and Zoning Department, or designee, shall cause to be issued to the applicant the license applied for with respect to the location listed in the application upon payment of all fees and charges required therefor and subject to the conditions and limitations imposed in this chapter relative thereto.

# Sec. 9-2-73. - Conditions and limitation of license.

The grant and issuance of an alcoholic beverage license to an applicant shall be conditioned upon:

- (1) Payment of all fees, charges and taxes applicable thereto;
- (2) Obtaining and maintenance of a license issued by the state department of revenue to the applicant for the location listed in the application for the same type activity which is authorized in the alcoholic beverage license issued by the city;
- (3) Obtaining and maintaining a business license issued by the city with respect to the business in which such alcoholic beverage license is to be utilized;
- (4) All statements, representations and information contained in the application for such license and all renewal and amended applications relative thereto continuing to remain materially unchanged except to the extent contained in amended application which have been granted pursuant to the provisions of section 9-2-88; and
- (5) Compliance with all requirements and provisions of this chapter and all laws, rules and regulations of the state relative to the sale, distribution and possession of alcoholic beverages.

#### Sec. 9-2-74. - License fees.

- (a) In addition to all other charges, taxes, and fees relative thereto, annual alcoholic beverage license fees as set forth in the schedule of fees and charges on file in the office of the city manager are imposed (which, consistent with city policy, are set by the city council) and shall be paid prior to the issuance of or renewal of any alcoholic beverage license;
- (b) License fees for the sale of alcoholic beverages are due and payable immediately upon issuance thereof and immediately as of the date of renewal thereof;
- (c) Any license issued at any time during a calendar year shall be due and payable as shown on the Master Fee Schedule; and
- (d) All license fees payable under this section shall be paid either in lawful currency of the United States of America or by a city approved form of payment payable to the city.

#### Sec. 9-2-75. - Duration.

No alcoholic beverage license shall be issued for a period of time less than the remainder of such calendar year. In the event of the revocation, suspension, termination, lapse or surrender of a license before the expiration of a calendar year there shall not be any refund therefor.

### Sec. 9-2-76. - Expiration.

All alcoholic beverage licenses shall expire at midnight on December 31 of the year in which issued with all applications for a renewal of the license for the ensuing year to be treated as applications for new licenses except to the extent otherwise provided in this chapter.

# Sec. 9-2-77. - Application for renewal.

The holder of any alcoholic beverages license who desires to renew such license shall annually file with the Planning and Zoning Department, or designee, an application therefor in such form and content as shall be determined from time to time by the city manager on or before 12:00 noon on October 15 of the year preceding the year for which the application for renewal is made. Failure of any holder of any alcoholic beverage license to file such application for renewal by such time and to pay together therewith the required applicable annual license fee for the ensuing year shall render the license void, lapsed, and nonrenewed effective as of the last minute of December 31 of that year. Annual license fee shall not be paid until renewal application is approved by Council.

## Sec. 9-2-78. - Lapse of license.

- (a) If the holder of any alcoholic beverage license fails to timely file an application for renewal or to pay such annual license fee, then such license shall automatically become nonrenewed and lapsed.
- (b) In such event, in order to obtain an alcoholic beverage license, such former licensee shall be required to file an application for another alcoholic beverage license in accordance with the provisions of this chapter.
- (c) In such event, pending receipt of other such alcoholic beverage license, such former licensee shall not be entitled to engage in the sale of the alcoholic beverages formerly authorized pursuant to such lapsed license and shall immediately cease and desist in conducting such sales.

# Sec. 9-2-79. - Operation pending renewal.

Upon the timely filing of an application for renewal of any alcoholic beverage license and the payment of the required license fee therefor pursuant to the provisions of section 9-2-77, the holder of such license shall be entitled to continue to engage in the activity authorized pursuant to the license issued for the previous year, subject to the provisions of this article, pending action on the application for renewal of such license.

### Sec. 9-2-80. - Review of application for renewal.

All applications for renewal of alcoholic beverage licenses shall be reviewed by the city manager and/or his designees prior to the November regular meeting of the city council. Those applications for renewal that have had:

- (1) A change in new application or management; and/or
- (2) Any event that could trigger any ground for denial of renewal set for in section 9-2-82 of this Code

shall be submitted by the city manager to city council along with a written recommendation with respect to the renewal or nonrenewal of each such alcoholic beverage license. Recommendations for renewal may be summary in form and may be collective; however, any recommendation for nonrenewal shall be made individually and shall specify the reasons for recommendation for nonrenewal.

#### Sec. 9-2-81. - Grant or denial of renewal.

- (a) On or before the regular January meeting thereof, the city council shall with respect to each application for renewal coming to it pursuant to subsection 9-2-80(b) of this Code either:
  - (1) Grant such application for renewal; or
  - (2) Table action on such application pending a hearing on such application for renewal as provided in this section.
- (b) If an application for renewal is so tabled then the city manager shall cause a written notice to be issued to the applicant requiring the applicant to show cause why the application for renewal should be granted at a hearing at a time and place specified therein which shall not be less than five days nor more than 30 days from the date of service of the notice by mail or otherwise upon the applicant as well as written notice of the recommendation and reasons of the city manager relative to nonrenewal of such license or the recommendation of the city manager for renewal of such license, as the case may be.
- (c) The hearing provided for in subsection (b) of this section, which meeting need not be a regular meeting of the council, may be continued by announcement at such time and place due to the lack of a quorum of the city council or at the request of the applicant or for good cause shown. At such hearing the applicant shall have the opportunity to show cause why the application for renewal should be granted and shall be entitled to the opportunity to present evidence, to present witnesses, to cross examine witnesses presenting evidence against granting the application for renewal, to be represented by an attorney, and to have the proceeding transcribed or recorded at the applicant's expense, all in accordance with such rules and procedures as may be adopted from time to time by the city council relative thereto.
- (d) Following the conclusion of such hearing the city council shall, at a regular or called meeting thereof within 30 days of the date of such hearing, render its decision regarding the granting or denial of such application for renewal.
- (e) Upon the denial of such application the city manager shall cause the applicant to be notified in writing within ten days of such decision of the nature of such decision and the grounds therefor and shall cause to be returned to the applicant the license fee tendered in connection with the application for renewal whereupon, effective 30 days following notification by the city manager to the applicant thereof, all rights of the applicant to operate under the license for the preceding year shall lapse and terminate and the applicant shall cease and desist from all activity authorized under the prior alcoholic beverage license sought to be renewed.
- (f) Upon the grant of such application for renewal the city manager shall promptly notify the applicant thereof and the Planning and Zoning Department shall promptly proceed to cause the license applied for to be renewed.

# Sec. 9-2-82. - Grounds for denial of new applications and renewal applications.

The city council shall be entitled to deny any new or renewal alcoholic beverage license upon a finding by the city council, following the hearing prescribed in connection therewith, of the existence, in the opinion of the city council, of any of the following:

- (1) Any violation by the holder of the alcoholic beverage license or by any other person required under this chapter in connection with such license to meet the qualifications required for the issuance of such license of any of the following:
  - a. Any federal or state law, rule or regulation relative to the manufacture, distribution, sale or possession of alcoholic beverages;
  - b. Any provision, condition, requirement or limitation contained in this chapter;
  - c. Any criminal law which is classified as a felony; or
  - d. Any criminal law involving moral turpitude;
- (2) Any violation by the holder of the alcoholic beverage license or by any employee, agent, or servant of the holder of such license or the business in which such license is utilized, in connection with the maintenance or operation of any business in which an alcoholic beverage license issued by the city is utilized, of any of the following:
  - a. Any federal or state law, rule or regulation relative to the manufacture, sale, distribution or possession of alcoholic beverages;
  - b. Any provision, condition, requirement, or limitation contained in this chapter;
  - c. Any other ordinance of the city; or
  - d. Any ordinance, rule, regulation or law of any governmental entity otherwise regulating the business in which such alcoholic beverage license is utilized;
- (3) The initial application for issuance of such alcoholic beverage license, any application for renewal thereof, or any amended application relative thereto contained, as of the time made, material false or misleading statements or information or was otherwise misrepresentative or misleading;
- (4) Failure of the applicant for renewal, or any other person required under this chapter in connection with such license to meet the qualifications required for the issuance of such license, to meet, as of the time of the application for renewal, the requirements established in this chapter for the initial issuance of such license;
- (5) Suspension or revocation during the period of time that the alcoholic beverage license issued by the city has been issued for such location by the state department of revenue of any alcoholic beverage license issued for the location of the business in which alcoholic beverage license issued by the city is utilized;
- (6) Failure of the holder of the license or any employee or agent of the business in which such license is utilized to promptly report to the police department of the city:
  - a. Any violation of this chapter;
  - b. Any other violation of law;

- c. Any violation of any other city ordinance; or
- d. Any breach of the peace, disturbance or alteration which occurs upon the premises of the business in which such alcoholic beverage license is utilized;
- (7) Repeated failure of the holder of the license or the employees, agent and servants of the business in which such license is utilized to promptly control and prevent upon the premises of such business any of the following activities or conduct:
  - a. Fighting;
  - b. Disorderly conduct;
  - c. Utilization of controlled substances;
  - d. Gambling;
  - e. Indecent conduct;
  - f. Excessive noise; or
- (8) Failure of the holder of the license or any other person required under this chapter in connection with such license to meet the qualifications required for the issuance of such license to promptly pay and satisfy all taxes and other financial obligations due to the city which are not the subject of appeal or litigation.

#### Sec. 9-2-83. - Transfer of licenses.

- (a) All alcoholic beverage licenses issued by the city shall be personal to the person to whom issued and are applicable only to the location for which application therefor is made and accordingly no license shall be transferable to any person or entity or to any other location.
- (b) Notwithstanding the provisions of subsection (a) of this section, in the event of the death of any person holding a license, or any interest therein, then upon application and approval by the city manager subject to the terms of this section, an alcoholic beverage license may be utilized by the administrator, executor or personal representative of such deceased person, or by the heirs at law of the deceased person, in the event that such administrator, executor, personal representative or heirs meet all of the qualifications contained in this chapter for the issuance of such alcoholic beverage license, with the license of such deceased person to be so utilized by the administrator, executor, personal representative, or heirs of such deceased person only for the time necessary to complete administration of the estate of such deceased person, but in no event longer than six months from the date of the death of such deceased person, with such license to lapse upon the earlier of such six-month period, completion of such administration, or December 31 of the year in which death shall occur.
- (c) Notwithstanding the provisions of subsection (a) of this section, in the event that the person to whom an alcoholic beverage license is issued certifies under oath in writing to the city manager that the business served by such alcoholic beverage license is relocating to another physical location within the city, the city manager may, upon payment to the city of an application amendment fee, provide for an amended license specific to the new location if such new location meets all of the requirements of this chapter. In no event shall any holder of an alcoholic beverage license operate under that license at more than one location at any time.

(d) Notwithstanding any other provision of this chapter, any change in the ownership interests of a partnership or corporation which holds any alcoholic beverage license, as reflected in the initial application for such license, shall cause the immediate cessation of sales of any alcoholic beverages and no sales of alcoholic beverages shall be made until such change in the ownership interests is approved by the city council based upon the qualification of all persons then interested therein in accordance with the provisions hereof or until the issuance of another license to such corporation or partnership upon a new application therefor; provided, however, that this provision shall not apply in a situation in which one or more individuals who have existing interest in the entity which holds the license cease to have such interest and the remaining ownership interest in such entity remains unchanged except as to the division of the remaining interests therein.

# Sec. 9-2-84. - Emergency suspension.

Notwithstanding any other provision of this chapter:

- (1) The chief of police shall be authorized, upon concurrence with respect thereto by the city manager, to suspend the right of the holder of any alcoholic beverage license to sell or otherwise distribute any alcoholic beverage, and to close the business in which such license is utilized, for such period of time as shall be determined to be necessary, but in no event in excess of 24 hours duration, in the event of:
  - a. Any national, state or local emergency;
  - b. Any riotous or violent circumstances either with respect to such location only or the community generally; or
  - c. Any circumstances which require such action in order to prevent conditions which are contrary to public health, welfare or safety.
- (2) The city council may, in its sole discretion, and either with or without notice or hearing, suspend the right of the holder of any alcoholic beverage license to sell or otherwise distribute any alcoholic beverage for such period of time as it may deem necessary, but in no event in excess of 30 days duration, in the event of:
  - a. Any national, state or local emergency;
  - b. Any riotous or violent circumstances either with respect to such location only or the community generally; or
  - c. Any circumstances which require such action in order to prevent conditions which are contrary to public health, welfare or safety; provided, however, that in no event shall such period of suspension exceed ten days duration without an opportunity to be heard being afforded to the holder of such license in connection with the continuance thereafter of such emergency suspension, with notice thereof and such hearing hereon being the same as provided in section 9-2-85 for suspension of alcoholic beverage licenses generally.

#### Sec. 9-2-85. - Suspension or revocation of license.

(a) Upon a preliminary determination by the city manager that a ground or grounds exist for the suspension or revocation of an alcoholic beverage license pursuant to the provisions of this chapter, then the city manager shall cause a written notice to be issued to the holder of

such license requiring such holder to show cause, if any such holder can, at a hearing before the city council at a time and place specified therein which shall not be less than five days nor more than 30 days from the date of service of the notice, by mail or otherwise, upon such holder as well as written notice of the reasons believed by the city manager to authorize possible suspension or revocation of such license.

- (b) The hearing provided for in subsection (a) of this section, which need not be a regular meeting of the council, may be continued by announcement at such time and place due to the lack of a quorum of the city council or at the request of the license holder or for good cause shown for a period of not longer than ten days. At such hearing the holder of the license shall have the opportunity to show cause why the license should not be suspended or revoked and shall be entitled to the opportunity to present evidence, to present witnesses, to cross examine witnesses presenting evidence in favor of suspension or revocation, to be represented by an attorney, and to have the proceeding transcribed or recorded at the license holder's expense, all in accordance with such rules and procedures as may be adopted from time to time by the city council relative thereto.
- (c) Following the conclusion of such hearing the city council shall, at a regular or called meeting thereof within 30 days of the date of such hearing, render its decision regarding whether the license in issue should be suspended or revoked and, if suspended, then the duration of such suspension and the amount of license reinstatement fee which amount shall not be in excess of \$250.00, if any, as the city council shall in its sole discretion determine to be appropriate under the circumstances, which license reinstatement fee shall be paid as a condition to reinstatement of the license following suspension.
- (d) Upon the suspension or revocation of such license then the city manager shall cause the license holder to be notified in writing within ten days of such decision of the nature of such decision and the grounds therefor and thereupon the license shall immediately become suspended or terminated in accordance with such decision. The license holder shall immediately upon receipt of such notice cease and desist from all activity authorized under such alcoholic beverage license in accordance with such decision and physically surrender such license to the Planning and Zoning Department.
- (e) If the city council determines that grounds do not exist to suspend or terminate such license or decides to not suspend or terminate such license notwithstanding the existence of grounds therefor then the city manager shall promptly notify the license holder thereof.

# Sec. 9-2-86. - Grounds for suspension or revocation.

The city council shall be entitled, in its sole discretion, to either suspend or revoke any alcoholic beverage license upon a finding by the city council, following the hearing prescribed in connection therewith, of the existence of any of the following:

- (1) Any violation by the holder of the alcoholic beverage license or by any other person required under this chapter in connection with such license to meet the qualifications required for the issuance of such license and of the following:
  - a. Any federal or state law, rule or regulation relative to the manufacture, distribution, sale or possession of alcoholic beverages;
  - b. Any provision, condition, requirement or limitation contained in this chapter;

- c. Any criminal law which is classified as a felony; or
- d. Any criminal law involving moral turpitude;
- (2) Any violation by the holder of the alcoholic beverage license or by any other person required under this chapter in connection with such license to meet the qualifications required for the issuance of such license or by any employee, agent, or servant of the holder of such license or the business in which such license is utilized, all in connection with the maintenance or operation of any business in which an alcoholic beverage license issued by the city is utilized, of any of the following:
  - a. Any federal or state law, rule or regulation relative to the manufacture, sale, distribution or possession of alcoholic beverages;
  - b. Any provision, condition, requirement, or limitation contained in this chapter;
  - c. Any other ordinance of the city; or
  - d. Any ordinance, rule, regulation or law of any governmental entity otherwise regulating the business in which such alcoholic beverage license is utilized;
- (3) The initial application for issuance of such alcoholic beverage license, any application for renewal thereof, or any amended application relative thereto contained, as of the time made, material false or misleading statements or information or was otherwise misrepresentative or misleading;
- (4) Failure of the holder of such license or any other person required under this chapter in connection with such license to meet the qualifications required for the issuance of such license, to meet, as of the time of the notice of hearing relative thereto, the requirements established in this chapter for the initial issuance of such license;
- (5) Suspension or revocation during the period of time that the alcoholic beverage license issued by the city has been issued for such location by the state department of revenue of any alcoholic beverage license issued for the location of the business in which the alcoholic beverage license issued by the city is utilized;
- (6) Failure of the holder of the license or any employee or agent of the business in which such license is utilized to promptly report to the police department of the city:
  - a. Any violation of this chapter;
  - b. Any other violation of law;
  - c. Any other violation of any other city ordinance; or
  - d. Any breach of the peace, disturbance or alteration which occurs within or upon the premises of the business in which such alcoholic beverage license is utilized;
- (7) Repeated failure of the holder of the license or the employees, agent and servants of the business in which such license is utilized to promptly control and prevent within or upon the premises of such business any of the following activities or conduct:
  - a. Fighting;
  - b. Disorderly conduct;
  - c. Utilization of controlled substances;

- d. Gambling;
- e. Indecent conduct;
- f. Excessive noise; or
- (8) Failure of the holder of the license or any other person required under this chapter in connection with such license to meet the qualifications required for the issuance of such license to promptly pay and satisfy all taxes and other financial obligations due to the city which are not the subject of appeal or litigation.

#### Sec. 9-2-87. - Termination.

All rights and privileges of the holder of an alcoholic beverage license issued by the city shall terminate upon the first to occur of the following:

- (1) Death of the holder of such license, except to the extent on any right to continue to utilize such license as provided in subsection 9-2-83(b);
- (2) Dissolution of a corporation or partnership which are holder of such license;
- (3) The filing of any voluntary bankruptcy proceedings under the bankruptcy code by the holder of such license or the failure of the holder of such license to, within 60 days of the date of filing thereof, obtain dismissal of and involuntary proceeding filed under the bankruptcy code against the holder of such license;
- (4) Lapse of such license pursuant to the provisions of this chapter;
- (5) Denial by the city council of an application for renewal of such license;
- (6) Revocation thereof by the city council;
- (7) Surrender thereof by the licensee to the city;
- (8) Automatically without any action on the part of the city upon revocation by the state department of revenue of any alcoholic beverage license issued by the state department of revenue to the holder of the license in issue with respect to such location; or
- (9) The licensee ceases to be engaged in the sale of alcoholic beverages permitted with such license.

# Sec. 9-2-88. - Amended applications.

In the event that either (i) the business in which any alcoholic beverage license is utilized cease to be actively managed or operated on a day-to-day basis by the person so designated with respect thereto in the latest application relative to such license whether an initial, amended or renewal application; or (ii) any other material change occurs in any of the statements, representations or other information contained in any application relative to such license whether in an initial, amended or renewal application which has not otherwise been modified pursuant to an amended application previously granted pursuant to the provisions of this section, then:

(1) Within 30 calendar days of such occurrence the licensee shall file with the Planning and Zoning Department an amended application with respect to such license, in such form and of such content as shall from time to time be prescribed therefore by the city manager, disclosing, in sufficient detail to evaluate the application, the nature and

extent of such changes and, in the case of the cessation of management of such business as reflected in the latest such application, the full details and particulars relative to the person who is then actively managing or operating such business on a day-to-day basis, all to the same extent as required in an initial application;

- (2) An amended application shall be accompanied by payment to the city by check or cash of an amended application processing fee which shall be nonrefundable regardless of the ultimate decision relative to such amended application;
- (3) Upon receipt of an amended application, city officials shall conduct such investigations as shall be appropriate relative thereto and shall make recommendations relative thereto as in the case of an initial application;
- (4) Upon receipt of recommendations relative thereto the city council shall proceed to act on such amended application as in the case of an initial application utilizing the same qualifications and criteria relative thereto as for an initial application and utilizing the same procedures with respect thereto;
- (5) Grant or denial of an amended application shall be based upon a finding by the city council that, as of the date of the determination thereof by the city council, the amended application either meets or fails to meet the requirements, criteria and qualifications contained in this chapter which are necessary for the initial issuance of such alcoholic beverage license;
- (6) Approval of an amended application by the city council shall constitute, effective as of the date of such approval, an amendment of the initial application;
- (7) The licensee shall, following determination thereof by the city council, be notified by the city manager of such decision as in the case of an initial application; and
- (8) Effective 15 days following notification by the city manager of denial of an amended application for such longer period of time as the city manager in his sole discretion determines appropriate under the circumstances, but in no event later than 30 days from the date of such notification: (i) such license shall lapse due to the failure of the licensee to continue to meet the qualifications, requirements and criteria for the grant of such license; (ii) all privileges relative to such license shall cease and terminate; (iii) such former licensee shall not be entitled to engage in the sale of the alcoholic beverages formerly authorized pursuant to such lapsed license; (iv) such former licensee shall immediately cease and desist from conducting such sales; and (v) in order to be authorized thereafter to engage in the sale of such alcoholic beverages the former licensee shall be required to file an application for another alcoholic beverage license and obtain approval thereof, all in accordance with the provisions of this chapter.

# Sec. 9-2-89. - Waiting period before reapplication.

Notwithstanding any of the provisions of this article, any unsuccessful applicant must wait 90 days from the date of final decision before reapplying.

# Sec. 9-2-90. - One-day license for charitable organizations.

- (a) Definitions.
  - (1) To qualify as a "charitable organization" as used herein, an organization must:

- a. Either be incorporated as a nonprofit corporation, or must be formally organized, with a constitution and bylaws, and with a central governing body such as a board of trustees or directors to be directly responsible for the one-day license; and
- b. Said organization must also have been granted approved tax exempt status by United States Internal Revenue Service.
- (2) The term "charitable purposes" as used herein shall include the following: Relief of the indigent, medical research, provision of medical equipment, education, including youth education; historical preservation, preservation and encouragement of the fine arts; crime prevention and rehabilitation; libraries; zoos; scientific research and development; community development; industrial and commercial recruitment; and recreation.
- (3) The term "proceeds" as used herein means the gross proceeds from the event in connection with which the license is issued after payment of all of the expenses of the event.
- (b) License; fee. In addition to the other alcoholic beverage licenses provided for in this chapter, the city council may issue a consumption license valid for one day only to any charitable organization, authorizing the holder to dispense, at one location only, malt beverages, wine, and distilled spirits, by the drink for consumption only on the premises; provided, that:
  - (1) The proceeds from the event shall be used only for charitable purposes; and
  - (2) The city has permitted the event consistent with the event permit requirements of section 9-2-175 of this chapter; and
  - (3) No alcoholic beverages are sold at the event, i.e., open bar only as an emolument of the donation or fund raising ticket received by the charitable organization.
    - If alcoholic beverages are to be sold at the event, then this section shall not apply.

The provisions of section 9-2-74 of this chapter shall apply with respect to license fees.

- (c) Application. Any charitable organization desiring to obtain a one-day alcoholic beverage license shall make application with sufficient evidence to satisfy the city council that the organization is a nonprofit charitable organization and that the proceeds will be used for charitable purposes. The organization shall designate one person who is a resident of the city who shall be responsible for the lawful and proper conduct of the alcoholic beverage license, giving the name, address and other information sufficient to identify such person.
- (d) Excise tax not applicable. The excise tax imposed by article V of this chapter shall not be applicable to the one-day license inasmuch as the sale of alcoholic beverages is not involved.
- (e) Final report. Within 30 days after the conclusion of the event, the license holder shall file a final report and accounting with the city council, said report and accounting to include a statement of the gross receipts, the amount of expenses paid, the net proceeds remaining, and how and to whom and for what purpose said net proceeds are to be distributed. Failure to comply with this reporting requirement shall make such charitable organization ineligible for the issuance of any subsequent license.

- (f) Suspension or revocation. The city manager shall have the right at any time to suspend or revoke the one-day license on any ground which constitutes a ground for suspension or revocation of licenses generally under sections 9-2-85 and 9-2-86 of this chapter. Any aggrieved organization shall have the right of appeal to the city council.
- (g) Applicability of chapter. Except as otherwise provided in this section, the remaining provisions of this chapter shall be applicable to the one-day license. The charitable organization and the responsible person identified pursuant to subsection (c) hereinabove shall be in charge and responsible for the event and shall be subject to the laws of the State of Georgia and the City of Camilla with respect to any violation of any license or permit issued by the City of Camilla.
- (h) If a one-day alcoholic beverage license is issued following the full application review process involving the decision of city council, such qualified charitable organization may submit an application for an annual event renewal one-day alcoholic beverage license to the city manager or his designee who shall either grant such license or recommend denial. A staff recommendation to deny a renewal one-day alcoholic beverage license shall be reviewed and decided by city council.

Secs. 9-2-91—9-2-120. - Reserved.

#### ARTICLE IV. - OPERATIONAL REGULATIONS

### Sec. 9-2-121. - Hours of operation.

(a) Retail dealers of malt beverages, wine and distilled spirits shall not engage in the sale of such beverages except during the following hours of lawful operation:

Mondays 6:00 a.m. to Tuesdays 1:30 a.m.

Tuesdays 6:00 a.m. to Wednesdays 1:30 a.m.

Wednesdays 6:00 a.m. to Thursdays 1:30 a.m.

Thursdays 6:00 a.m. to Fridays 1:30 a.m.

Fridays 6:00 a.m. to Saturdays 1:30 a.m.

Saturday 6:00 a.m. to Saturday 11:55 p.m.

Sunday 12:30 p.m. to Sunday 11:30 p.m. (packaged malt beverages and wine only)

(b) Establishments having an on-premises consumption license issued pursuant this chapter and realizing less than 50 percent of the business, as measured by gross receipts, from the sale of food shall not permit their places of business to be opened for any reason after 2:00 a.m. on weekdays or anytime on Sundays, Christmas day or any other days on which the sale of alcoholic beverages is prohibited by state law.

### Sec. 9-2-122. - Hours during which other activities prohibited.

Neither any holder of any alcoholic beverage license nor any employee of any business in which such license is utilized shall allow or permit any alcoholic beverage to be handled in any manner upon the premises of the business in which such license is utilized or any alcoholic beverage to be located upon any table, counter, or other such customer service area upon such premises, either in the form of the original container therefor or otherwise, from one hour after the last time permitted to sell an alcoholic beverage as set forth in section 9-2-121 of this chapter until such time as alcoholic beverages may again be sold as set forth in section 9-2-121 of this chapter.

All premises licensed to engage in such sales by the drink may remain open for a period of time not to exceed 15 minutes beyond the time that the last alcoholic beverage can be lawfully located upon the table, counter or other customer service area of the licensed premises as set forth hereinabove at which time all customers and patrons must leave the licensed premises. Following such mandatory closing time, up to four employees of the business located upon the licensed premises may remain for up to an additional hour to handle all post-closing duties. If, because of special circumstances, additional time is needed by the employees for post-closing duties, the holder of the alcoholic beverage license at such licensed premises may contact the police for additional time for which permission shall not be unreasonably withheld.

### Sec. 9-2-123. - Election days; sale of malt beverages and/or wine.

Alcoholic beverages which are licensed for sale in the city may be sold on all election days during normal business hours established by this Code and regulation of sales of alcoholic beverages by ordinance.

## Sec. 9-2-124. - Advertising.

No holder of any alcoholic beverage license shall allow or permit any advertising to be placed or run in any media or by any other means with respect to the availability of alcoholic beverages at the location licensed except to the extent permitted by state law and rules and regulations relative thereto.

## Sec. 9-2-125. - Consumption prohibited upon premises of package licensee.

No holder of a license only for the package sales of any alcoholic beverage nor any employee, agent or servant of any business in which only a license for package sales is utilized shall knowingly allow or permit the breaking of any package containing any alcoholic beverage upon the premises where sold, or intentionally allow or permit the consumption of any of the contents of any package containing any alcoholic beverage upon the premises where sold.

### Sec. 9-2-126. - Sales prohibited beyond premises.

No holder of any alcoholic beverage license or any employee, agent or servant of any business in which any alcoholic beverage license is utilized (herein collectively referred to as "licensee") shall sell or distribute any alcoholic beverage at any location other than within the interior of the building located upon premises so licensed in which such sales are authorized or upon the patio or deck (whether under roof or not) adjoining the licensed premises. The licensee shall not be authorized to sell or distribute any alcoholic beverage at any other location upon or within the licensed premises (hereinafter referred to as "open areas") including, but not limited to, the parking lot of such location unless any such open areas are set apart by a rope, fence or other similar access control mechanism that has been approved by the police department in the interest of public safety and the promotion of law enforcement; and, further provided that such licensee must continually supervise any and all such open areas to prevent non-customers from gaining access.

#### Sec. 9-2-127. - Furnishing alcoholic beverages to intoxicated person.

Notwithstanding any other provisions of this chapter, no person who is the holder of any alcoholic beverage license issued by the city nor any agent, servant or employee of any business in which any alcoholic beverage license is utilized shall sell, give, provide, distribute, or furnish any alcoholic beverage to any person who is then in an obvious state of intoxication.

#### Sec. 9-2-128. - Assisting other in violations.

No person who is the holder of any alcoholic beverage license issued by the city nor any agent, servant or employee of any business in which any alcoholic beverage license is utilized shall promote, encourage, or assist any other person in conducting or engaging in any activity or action which is in violation of any provision of this chapter.

### Sec. 9-2-129. - Misrepresentation of beverages.

No person who is the holder of any alcoholic beverage license issued by the city, nor any agent, servant or employee of any business in which any alcoholic beverage license is utilized shall add to or otherwise adulterate the contents of a package or refill any empty package, or in any other manner misrepresent the quantity, quality or brand name of any alcoholic beverage.

# Sec. 9-2-130. - Specific rules for consumption on premises.

- (a) Rules applicable to all alcoholic beverages. No person who is the holder of any alcoholic beverage license issued by the city or any agent, servant or employee of any business in which any alcoholic beverage license is utilized shall sell or distribute alcoholic beverages for consumption upon the premises under any of the following circumstances:
  - (1) Serve multiple servings for a single price or offer all a person can drink for a set price;
  - (2) Make a single price the basis for a required purchase of two or more servings;
  - (3) Selling or furnishing alcoholic beverages at reduced prices based upon redemption or surrender of coupons, receipts, or other devices authorizing the serving of alcoholic beverage drinks on a subsequent day;
  - (4) Require or encourage the purchase of a second or subsequent alcoholic beverage at the same time another alcoholic beverage is purchased or before the first such beverage is consumed;
  - (5) Allow or permit any unconsumed alcoholic beverage sold for consumption on the premises to be removed from the licensed premises;
  - (6) For purposes of this section, the term "special events days" shall mean those certain days generally recognized nationwide as festive or celebratory and specifically approved in advance in writing as such by the chief of police and set forth on a list made available to all holders of on premises consumption alcoholic beverage licenses. For purposes of this section, the term "normal retail price" shall mean the price charged during the majority of the business hours, excluding the hours of 4:00 p.m. to 8:00 p.m., of such business for that particular alcoholic beverage during the preceding seven-day period of time.
    - a. Except for special events days, sell or furnish any alcoholic beverage prior to 4:00 p.m. or after 8:00 p.m. at a price less than the normal retail price of the business in which the associated alcoholic beverage license is utilized.
    - b. Except for special events days, sell or furnish any alcoholic beverage between the hours of 4:00 p.m. and 8:00 p.m. for less than one-half of the normal retail price.
    - c. On special events days only, alcoholic beverages may be sold or furnished at any time that the business and, as applicable to distilled spirits, the restaurant is open at any price set by the business so long as such price is not less than one-half of the normal retail price.
  - (7) Nothing contained in this section shall be construed to prohibit the dispensing of malt beverages in pitchers or in jumbo sizes which are available at all times that the business in which the alcoholic beverage license is utilized is open for business at the usual, customary or established retail price therefor.
- (b) Rules applicable to distilled spirits. In addition to the rules set forth in subsection (a) of this section, these rules shall likewise apply to the on premises consumption of distilled spirits:
  - (1) Sponsor, conduct, allow or permit contests or promotions which have as their primary purpose the increasing of the consumption of distilled spirits on the premises.

(2) Sell or furnish distilled spirits at any time that the restaurant or private club to which such license is attached is closed.

# Sec. 9-2-131. - Operation only by licensee or designated manager.

Notwithstanding any other provisions of this chapter, no holder of any alcoholic beverage license issued by the city shall permit or allow any business in which such license is utilized to be managed or operated for any period of time longer than 15 days by any person except to the extent otherwise specifically provided in this chapter who is not listed upon the initial application for such license, upon the most recent application for renewal thereof, on an amended application relative thereto which has been approved by the city council, or upon a then pending and unacted upon amended application relative thereto.

# Sec. 9-2-132. - Display of license.

The holder of every alcoholic beverage license issued by the city shall post and prominently display in a conspicuous place upon the premises licensed all alcoholic beverages licenses by the city and by the state department of revenue.

# Sec. 9-2-133. - Posting of laws regulating sales.

The holder of every alcoholic beverage license issued by the city shall post and prominently display in a conspicuous place upon the premises licensed all notices required by state law relative to the sale of alcoholic beverages as well as such other notice or notices relative to the sale of alcoholic beverages pursuant to license issued by the city as shall from time to time be prescribed by the city manager of such form, size and content as shall be prescribed by the city manager.

# Sec. 9-2-134. - Obstruction of view of interior of premises and lighting of premises.

- (a) For the safety of law enforcement personnel and other public officials, every business in which an alcoholic beverage license is utilized shall provide a door, window or other opening through which the interior of the premises licensed for the sale of alcoholic beverages shall be visible from the exterior. Neither the holder of any alcoholic beverage license nor any agent, servant or employee of any business in which such alcoholic beverage license is utilized shall obstruct, block, or obscure the view through any door, window or other opening of the interior of the premises licensed for the sale of alcoholic beverages.
- (b) Both the exterior and interior of all premises licensed by the city for the sale of alcoholic beverages shall be so arranged as to afford an unobstructed view from the outside thereof of the interior portion of the premises which is utilized for the sale of alcoholic beverages.
- (c) The exterior of all premises licensed by the city for the sale of alcoholic beverages shall at all times be illuminated with sufficient light intensity so as to allow a complete view of all portions of the exterior thereof.
- (d) The exterior of all premises licensed by the city for the sale of alcoholic beverages shall at all times be illuminated with sufficient light intensity so as to allow a complete view of the interior of such premises which is utilized for the sale of alcoholic beverages by a person standing on the inside of the entrance of such premises.

### Sec. 9-2-135. - Restrictions on compensation.

No holder of any alcoholic beverage license nor any agent, servant or employee of any business in which any such alcoholic beverage license is utilized shall permit or allow any agent, servant or employee of such business who is not the owner of an interest in such business to either directly or indirectly, receive or obtain in any manner any salary or other compensation of any nature whatsoever which is based solely upon the volume of alcoholic beverages sold upon such premises either by or as a result of the efforts of such agent, servant or employee individually or of such business generally or which is based solely upon the profit derived by such business from the sale of any alcoholic beverages.

## Sec. 9-2-136. - Restrictions on premises rental fees.

It shall be unlawful for an alcoholic beverage license holder to enter into any agreement whereby the rental paid for the licensed premises is based in whole or in part upon the volume of alcoholic beverages sold upon such premises or based in whole or in part upon the profit derived by such business utilizing the alcoholic beverage license.

# Sec. 9-2-137. - Restrictions upon activities of employees.

No holder of any alcoholic beverage license nor any agent, servant or employee of any business in which any alcoholic beverage license is utilized shall permit or allow any agent, servant or employee of such business or license holder upon the premises licensed during any period of time that such agent, servant or employee is acting for the benefit of or on behalf of such business or license or is otherwise in the employ of such business or licensee to:

- (1) Dance with any customer or patron of such business;
- (2) Dance upon any bar, counter or table; and
- (3) Consume any alcoholic beverage purchased by a customer or patron of such business.

### Sec. 9-2-138. - Access of police officers and public officials.

No holder of any alcoholic beverage license nor any agent, servant or employee of any business in which any alcoholic beverage license is utilized shall at any time deny or prevent access to the licensed premises, or any portion thereof, to any police officer, to any state or federal or local law enforcement officer or to any local, state or federal building, zoning or fire inspector or official in connection with the conduct of such officer's, inspector's or official's duties or fail or obstruct any such officer, inspector or official in connection with the conduct of any investigation by any such officer, inspector or official with respect to the licensed premises or any activity or conduct upon the licensed premises involving alcoholic beverages.

#### Sec. 9-2-139. - Noise control.

The holder of any alcoholic beverage license shall not allow or permit any customer, patron or other person upon the licensed premises to make, continue or cause to be made any noise that can be heard beyond the property boundary of the licensed premises that unreasonably or unnecessarily annoys, disturbs, injures or endangers the comfort, repose, health, peace or safety of others in the city. Moreover, the holder of any alcoholic beverage license shall comply with the noise control provisions of Title 11-Chapter 1-Section 11-1-4 of this Code.

#### ARTICLE V. - EXCISE TAXES

# Sec. 9-2-161. - Excise tax—Malt beverages.

- (a) [Rate of levy.] There is hereby levied and imposed upon all wholesale dealers selling malt beverages within the city a specific excise tax in the amount of \$0.05 per 12-ounce container or any portion thereof so as to graduate the tax on bottles, cans, and containers of various sizes of malt beverages sold by each wholesale dealer within the city, and an excise tax on tap or draft beer in the amount of \$6.00 for each container sold, as hereinafter specified, containing not more than 15½ gallons and at a like rate for fractional parts, where the beverage is sold in or from a barrel or bulk container, such beverage being commonly known as tap or draft beer.
- (b) Against whom levied. The malt beverage excise tax is levied against and shall be paid by each licensed wholesale dealer in malt beverages in the city.
- (c) Due date and required report. The malt beverage excise tax shall be paid on or before the tenth day of the month following the calendar month in which the beverages are sold or disposed of, and payment shall be accompanied by a report itemizing the exact quantities of malt beverages sold for the preceding calendar month by size and type of container.

#### Sec. 9-2-162. - Excise tax—Wine.

- (a) Rate of levy. There is hereby set and levied on the sale of wine, excluding fortified wine, an excise tax in the sum of \$0.22 per wine gallon and in similar proportion for bottles and containers of various sizes.
- (b) Against whom levied. The wine excise tax shall be paid by each licensed wholesale dealer in wine in the city.
- (c) Due date and required report. The wine excise tax shall be paid on or before the tenth day of the month following the calendar month in which the beverages are sold or disposed of, and payment shall be accompanied by a report itemizing the exact quantities of wine sold for the preceding calendar month by size of container.

#### Sec. 9-2-163. - Excise tax—Distilled spirits.

- (a) Rate of levy. There is hereby levied and imposed upon all wholesale dealers selling distilled spirits within the city an excise tax in the amount of \$0.22 per liter or portion thereof for each liter of distilled spirits or part thereof sold within the city.
- (b) [Due date and required report.] The tax on distilled spirits is levied upon and shall be paid by the licensed wholesale dealer making the sale on or before the twentieth day of the calendar month following the calendar month in which the beverage is sold or disposed of, and payment shall be accompanied by a report itemizing the exact quantities of distilled spirits sold during the preceding calendar month.

### Sec. 9-2-164. - Monthly reports and payment.

Each holder of a wholesale alcoholic beverage license shall file a monthly report by the tenth day of each calendar month itemizing for the preceding calendar month the exact quantities of all alcoholic beverages, by nature and by size and type of container, sold within the city and at such time shall remit to the city the amount of excise tax due to the city in accordance with the provisions of this chapter.

#### Sec. 9-2-165. - Examination of books and records.

The books and records of all wholesalers selling or delivering these beverages and all retailers thereof in the city shall be subject to inspection and audit by the agents of the city to ensure compliance herewith. It shall be unlawful for any person to deny to any authorized agent of the city reasonable access to its books and records and shall be the duty of each person to keep accurate records of payments and collections of the case tax and remittances.

#### Sec. 9-2-166. - Penalties.

- (a) The failure to make a timely report and remittance required shall render a wholesaler liable for a penalty equal to 25 percent of the total due during the first 30-day period following the date the report and remittance were due and a further penalty of 50 percent of the amount of this remittance for each successive 30-day period or any portion thereof during which the report and the remittance were not filed,
- (b) The filing of a false or fraudulent report shall render the wholesale dealer making the report liable to a penalty equal to 100 percent of the amount of the remittance which would be required under an accurate and truthful report.
- (c) Any person, wholesaler or retailer that shall violate the provisions hereof shall, upon conviction, be punished as prescribed by the municipal court and may in addition be subject to suspension or revocation of the license to sell such beverages.

### Sec. 9-2-167. - Taxes collected upon delivery.

- (a) It shall be unlawful for any retailer of alcoholic beverages to receive and retain these beverages unless he shall have paid the tax thereon.
- (b) It shall be unlawful for any wholesaler of alcoholic beverages to sell or deliver these beverages to any retailer thereof unless he shall concurrently with this delivery collect the tax imposed.
- (c) It shall be unlawful for any wholesaler of alcoholic beverages to fail to remit to the city, when promptly due, the taxes levied, and collected by the wholesaler. It shall be unlawful for any person engaged as a retailer of these beverages to receive these beverages from another retailer unless tax has been paid.
- (d) It shall further be unlawful for any retailer of alcoholic beverages to receive and retail these beverages from another retail store, whether the other store shall be owned by the receiving retailer or not, or whether the other store is located within the corporate limits of the city or not, unless the tax shall have been paid and remitted to the city clerk.

# Sec. 9-2-168. - Tax on sale of distilled spirits by the drink.

(a) *Definitions*. The following words, terms and phrases shall, for the purposes of this section and except where the context clearly indicates a different meaning, be defined as follows:

City means the City of Camilla and, variously, the incorporated areas of Camilla, wherein the City of Camilla is empowered to impose this tax by O.C.G.A. § 3-4-130.

Due date means [the] 20th day after the close of the monthly period for which the tax is to be computed.

*Licensee* means any person holding a license to serve distilled spirits by the drink from the city.

Monthly period means the calendar months of any year.

Person means an individual, firm, partnership, joint adventure (venture), association, social club, fraternal organization, joint stock company, corporation, cooperative, estate, trust, receiver, trustee, syndicate, or any other group or combination acting as a unit, the plural as well as the singular number, excepting the United States, the state and any instrumentality of either thereof upon which the city is without power to impose the tax.

Tax means the sales tax on distilled spirits by the drink imposed by this article.

- (b) Imposition; rate of tax. There is hereby imposed, and there shall be paid, a tax of three percent on the sale of distilled spirits by the drink in the city.
- (c) Collection by licensee. Every licensee shall collect a tax of three percent on the sale of distilled spirits by the drink at his pouring outlet.
- (d) Determination generally; returns; payments.
  - (1) Due date of taxes. All amounts of such taxes shall be due and payable to the finance director monthly on or before the twentieth day of every month next succeeding each respective monthly period.
  - (2) Penalty and interest for failure to pay tax by due date. A specific penalty of 15 percent is imposed for failure to pay any amount of tax when due and payable to the city. Delinquent amounts shall bear interest at the rate of one percent per month, or fraction thereof, until paid.
  - (3) Return; time of filing; persons required to file; contents. On or before the twentieth day of the month following each monthly period, a return for the preceding monthly period shall be filed by every licensee with the City Clerk showing the gross sales of distilled spirits by the drink and the amount of tax collected or otherwise due for the period, and such other information as may be required by the City Clerk.
  - (4) Collection fee allowed licensees. Licensees collecting the tax shall be allowed a percentage of the tax due and accounted for and shall be reimbursed in the form of a deduction in submitting, reporting and paying the amount due, if the amount is not delinquent at the time of payment. The rate of the deduction shall be the same rate authorized for deductions from state tax under the Georgia Retailer and Consumers' Sales and Use Tax Act, as now and hereafter amended.

- (e) Deficiency determinations.
- (1) Recomputation of tax; authority to make; basis of recomputation. If the City Clerk is not satisfied with the return or returns of the tax or the amount of the tax required to be paid to the city by any person, she may compute and determine the amount required to be paid upon the basis of any information within her possession or that may come into her possession. One or more deficiency determinations may be made of the amount due for one or more monthly periods.
- (2) Penalty and interest for failure to pay tax. A specific penalty of 10 percent is imposed upon the amount of any determination. Additionally, the amount of any determination shall bear interest at the rate of one percent per month, or a fraction thereof, from the due date of taxes until the date of payment.
- (3) Notice of determination; service of. The City Clerk shall give to the licensee written notice of her determination. The notice may be served personally or by mail; if by mail, such service shall be addressed to the licensee at his address as it appears in the records of the city. Service by mail is complete when delivered by certified mail with a receipt signed by addressee or postal certification that such mail was refused.
- (4) Time within which notice of deficiency determination to be mailed. Except in the case of failure to make a return, every notice of a deficiency determination shall be mailed within three years after the twentieth day of the calendar month following the monthly period for which the amount in proposed to be determined, or within three years after the return is filed, whichever period should last expire.
- (f) Determination of no return made.
  - (1) Estimate of gross receipts. If any person fails to make a return, the City Clerk shall make an estimate of the amount of the gross receipts of the licensee from the sale of distilled spirits by the drink, or as the case may be, of the amount of total such receipts in this city which are subject to the tax. The estimate shall be made for the period or periods in respect to which the person failed to make the return and shall be based upon any information which is or may come into the possession of the City Clerk. Written notice shall be given in the manner prescribed in subsection (e)(3).
  - (2) Penalty and interest for failure to pay tax. A specific penalty of 10 percent is imposed upon the amount of any determination. Additionally, the amount of any determination shall bear interest at the rate of one percent per month, or a fraction thereof, from the due date of taxes until the date of payment.
- (g) Collection of tax by city.
  - (1) Action for delinquent tax; time for. At any time within three years after any tax or any amount of tax required to be collected becomes due and payable and at any time within three years after the delinquency of any tax or any amount of tax required to be collected, the City Clerk may bring an action in a court of competent jurisdiction in the name of the city to collect the amount delinquent together with penalty, interest, court fees, filing fees, attorney's fees and other legal fees incident thereto.
  - (2) Duty of successors or assignees of licensee to withhold tax from purchase money. If any licensee liable for any amount under this section sells out his business or quits the

- business, his successors or assigns shall withhold sufficiently from the purchase price to cover such amount until the former owner produces from the City Clerk either a receipt reflecting full payment or a certificate stating that no amount is due.
- (3) Liability for failure to withhold. If the purchaser of a business fails to withhold purchase as required, he shall be personally liable for the payment of the amount required to be withheld by him to the extent of the purchase price.
- (4) Credit for tax, penalty or interest paid more than once or erroneously or illegally collected. Whenever the amount of any tax, penalty or interest has been paid more than once, or has been erroneously or illegally collected or received by the city, it may be offset by the City Clerk. If the operator or person determines that he has overpaid or paid more than once, which fact has not been determined by the City Clerk, such person shall have three years from the date of payment to file a claim in writing stating the specific ground upon which the claim is founded. The claim shall be audited. If the claim is approved by the City Clerk, the excess amount paid the city may be credited on any amounts then due and payable from the person by whom it was paid.
- (h) Administration of ordinance; recordkeeping.
  - (1) Authority of City Clerk. The City Clerk shall administer and enforce the provisions of this section for the collection of the tax.
  - (2) Records required from licensees, etc.; form. Every licensee shall preserve, for a minimum of three years, all records, receipts, invoices and such other documents as the City Clerk may prescribe, and in such form as she may require.
  - (3) Examination of records, audits. The City Clerk or any person authorized in writing by her may examine the books, papers, records, financial reports, inventory, equipment and other facilities of any licensee liable for the tax, in order to verify the accuracy of any return made, or if no return is made, to ascertain and determine the amount required to be paid.
  - (4) Authority to require reports; contents. In administration of the provisions of this section, the City Clerk may require the filing of reports by person or class of persons having in their possession or custody information relating to the sale of distilled spirits by the drink. The reports shall be filed with the City Clerk when required by said official, and shall set forth the gross sales from the sale of distilled spirits by the drink, the amount of tax collection thereon, or such other information as the City Clerk may prescribe.
- (i) Violations. Any person violating any of the provisions of this section shall be deemed guilty of an offense and, upon conviction thereof, shall be punished as provided in section 1-13 of the city code of ordinances. Each such person shall be guilty of a separate offense for each and every day during any portion of which any violation of any provision of this section is committed, continued or permitted by such person, and shall be punished accordingly. Any licensee who fails to furnish any return required to be made, or who fails or refuses to furnish a supplemental return or other data required by the City Clerk, or who renders a false or fraudulent return, shall be deemed guilty of an offense and, upon conviction thereof, shall be punished as aforesaid.

# Sec. 9-2-169. - Delinquency.

If after 45 days any excise tax imposed by this division is not paid by any holder of a wholesale alcoholic beverage license, then the excise tax assessed against such license holder shall become delinquent and all of the provisions of this Code relative to the collection of delinquent taxes shall be applicable for the collection of such excise tax. Alcoholic beverages on which city taxes have not been paid are subject to seizure and may be destroyed or sold by public sale as provided by law.

Secs. 9-2-170—9-2-174. - Reserved.

#### ARTICLE VI. - CATERING

# Sec. 9-2-175. - Sale off-premises for catering purposes.

- (a) Licensed alcoholic beverage caterer. An alcoholic beverages licensee that is also a food caterer may become a licensed alcoholic beverage caterer by meeting all of the following five requirements:
  - (1) Complying with all provisions of O.C.G.A. tit. 3, ch. 11 (sales off-premises for catered functions); and by
  - (2) Meeting the requirement that at least 60 percent of the gross income for such business comes from the sale of prepared foods as set forth in subsection 6-64(3)b. of this chapter; and by
  - (3) Applying for an off-premises catering license on the form prescribed by the city; and by
  - (4) Paying an annual fee to the city for such a license, with such fee being shown upon a schedule of fees maintained in the office of the City Clerk; and by
  - (5) Obtaining an event permit, as hereinafter defined and provided, for each and every such authorized catered function to which such alcoholic beverage caterer license shall be applicable.

A licensed alcoholic beverage caterer is eligible to sell or furnish only those types of alcoholic beverages as he can sell or furnish pursuant to his underlying alcoholic beverage license.

- (b) An event permit, issued by the city manager or his designee, is required before an otherwise licensed alcoholic beverage caterer can sell or furnish alcoholic beverages off premises, i.e., at any location other than the licensed premises utilizing the underlying alcoholic beverage license. In order to obtain an event permit, the licensed alcoholic beverage caterer shall be required to submit a fully accurate and completed application on the form prescribed by the city which shall include the following information:
  - (1) Name of caterer;
  - (2) Date of event:
  - (3) Time (hours) of event;
  - (4) Location (address) of event;
  - (5) Host or sponsor of event;
  - (6) Estimated number of persons to attend the event that are of legal age;
  - (7) Estimated number of persons to attend the event that are not of legal age;
  - (8) Whether "open bar" or "cash bar" of alcoholic beverages at event;
  - (9) Estimated quantities of malt beverages, wine and/or distilled spirits (to extent authorized by license) to be served at event;
  - (10) Whether facility is private or public;

- (11) Whether location is within 100 yards of a church or school building;
- (12) A plat or sketch shall be submitted showing the service area where alcoholic beverages will be served indicating whether said area is within the building or in an open area;
- (13) An event fee in an amount shown upon a schedule of fees, not to exceed the amount provided by state law, maintained in the office of the City Clerk shall be submitted along with the application;
- (14) Comply with the reporting provisions of O.C.G.A. § 3-11-3;
- (15) Provide security and parking enforcement plans and personnel as required by the city.
- (c) An event permit cannot be obtained unless the event permit application referenced in subsection (b) hereinabove is accurately completed in full and submitted to the city manager or his designee at least 14 calendar days prior to the scheduled date of the event or function. Notwithstanding the foregoing, the city manager in his sole and sound discretion may issue an event permit within a shorter time frame if the event permit applicant has been previously approved and if the proposed event location has been previously approved.
- (d) An event permit may be refused by the city manager or his designee for any one of the following reasons:
  - (1) Inadequate parking or enforcement personnel at the facility designated;
  - (2) Criminal record of host or caterer permit holder;
  - (3) Previous complaints on location or of applicant;
  - (4) Previous damage to facility by applicant or permit holder.
- (e) The city reserves the right to define and/or restrict the service area for serving of alcoholic beverages.
- (f) The city shall control the dispensing of alcohol in all of its facilities by requiring the use of a licensed alcoholic beverage caterer if alcohol is furnished at any such facility. Consistent with this article, alcohol may also be dispensed by a licensed alcoholic beverage caterer who has been issued an event permit at facilities of any local, state or federal public entity.
- (g) Violation.
  - (1) It shall be unlawful for any food caterer or person to distribute or sell distilled spirits, malt beverages or wine off the premises of the food caterer's business without a license issued pursuant to this section.
  - (2) It shall be unlawful for any licensed alcoholic beverage caterer licensed under this section to distribute or sell distilled spirits, malt beverages or wine off-premises except in connection with an authorized catered function for which an event permit has been obtained.

Sections 9-2-176—9-2-179 Reserved.

### ARTICLE IX. - CRAFT MANUFACTURING

#### Sec. 9-2-180. - Brewpub license.

- (a) For purposes of this Chapter, the terms "brewpub" and "eating establishment" shall have the same definitions as provided in O.C.G.A. § 3-1-2. No person or entity shall be eligible to obtain a brewpub license unless that person certifies in writing that the premises to be licensed will operate as an eating establishment. Any brewpub license shall be subject to revocation if, at any time, the licensed premises ceases operating as an eating establishment.
- (b) The percentage of gross food and beverage sales shall be calculated and verified as follows:
  - (1) Brewpub licensees that have been in operation for more than six months as of the date in which the licensee applies to renew its licenses under this Chapter for the succeeding calendar year shall submit a return, as part of its renewal application, showing its gross sales for the twelve complete calendar months immediately preceding the date of application; or, for each complete calendar month of operations preceding the date of application in which the licensee has been in operation, and demonstrating that its sales of prepared meals or food equal or exceed fifty percent of all gross sales of food and beverage items over the period covered by such return, as set out in O.C.G.A. § 3-1-2.
  - (2) The Office of Business Development, or its successor office, shall be authorized to prepare a return form upon which calculations of percentages of gross food and beverage sales shall be presented; and such office shall further be authorized to require that all such returns be submitted on the prepared form.
  - (3) In the event that a brewpub applying for renewal under this Section cannot demonstrate that its sales of prepared meals or food equal or exceed fifty percent of all gross sales of food and beverage items over the period covered by such return, as set out in O.C.G.A. § 3-1-2, then it shall not be permitted to renew its brewpub license. However, such business may instead obtain either a license for the manufacture of malt beverages; or licenses for retail sale of alcoholic beverages, but not both, by paying the appropriate license fees for the desired licenses.
- (c) Any licensee holding a brewpub license shall be authorized to do the following:
  - (1) Manufacture on the licensed premises not more than 10,000 barrels of malt beverages in a calendar year solely for retail sale;
  - (2) Operate an eating establishment that shall be the sole retail outlet for such malt beverages, and which eating establishment may sell such malt beverages by the drink for consumption on-premises, or by the package for consumption off-premises;
  - (3) Provided that the licensee offers for sale for consumption on-premises at least one variety of commercially available canned or bottled malt beverage that is manufactured off-premises and purchased from a licensed wholesaler, exercise all rights afforded to holders of licenses to sell malt beverages or wine by the drink for consumption on-premises, and exercise all rights afforded to holders of licenses to sell malt beverages or wine by the package for consumption off-premises;

- (4) Sell alcoholic beverages pursuant to this Section on all days and at all times that sales of alcoholic beverages by retailers are lawful under this Chapter, including, but not limited to, Sundays;
- (5) Notwithstanding any other provision of this paragraph, sell up to a maximum of 5,000 barrels annually of such malt beverages to licensed wholesale dealers. Under no circumstances shall such malt beverages be sold by a brewpub licensee to any person holding a retail consumption dealer's license or a retailer's license for the purpose of resale; and
- (6) Notwithstanding any other provision of this Chapter, sell growlers of malt beverages manufactured on the licensed premises directly to consumers..
- (d) No person or entity may hold a brewpub license and a license for the sale of distilled spirits by the package for consumption off-premises at the same time.
- (e) Brewpub licensees may separately obtain and hold licenses for alcoholic beverage caterer; catered or special event permit; or retail sale of distilled spirits by the drink for consumption of [off-] premises, provided they meet all applicable qualifications for each such license applied for.

# Sec. 9-2-181. - Malt beverage taproom license.

- (a) For purposes of this Chapter, "malt beverage taproom" shall refer to business establishments operating pursuant to O.C.G.A. § 3-5-24.1, as amended from time to time.
- (b) Any licensee holding a malt beverage taproom license shall be authorized to do the following:
  - (1) Manufacture any quantity of malt beverages and sell any quantity of such malt beverages to licensed malt beverage wholesalers for distribution;
  - (2) Sell up to 3,000 barrels of malt beverages produced at the licensed premises to individuals who are on such premises:
    - a. For consumption on-premises; and
    - b. Packaged to go, provided that such sales of malt beverages packaged to go shall not exceed a maximum of 288 ounces of malt beverages per consumer per day.
  - (3) Sell malt beverages pursuant to this Section on all days and at all times that sales of malt beverages by retailers are lawful under this Chapter, including, but not limited to, Sundays.
- (c) Any licensee operating a malt beverage taproom shall be responsible for remitting all state and local sales, use, and excise taxes arising from its operations to the proper tax collecting authority.
- (d) No person holding a malt beverage taproom license and no entity operating a malt beverage taproom shall be eligible to hold any other manufacturing, wholesale, retail, or caterer's license for the sale of alcoholic beverages while such malt beverage taproom license remains valid.

(e) No person holding a malt beverage taproom license and no entity operating a malt beverage taproom shall be permitted to sell any alcoholic beverages other than the malt beverages produced on such licensee's premises.

#### ORDINANCE NO. 2021-08-16-2

AN ORDINANCE OF THE CITY OF CAMILLA, GEORGIA, PROVIDING FOR AN APPLICATION AND LICENSING PROCESS FOR SPECIAL EVENTS TO BE HELD ON CITY PROPERTY; RENTAL OR USE OF PROPERTIES FOR EVENTS; PROVIDING FOR CONDUCT OF EVENTS; AND FOR OTHER PURPOSES.

WHEREAS, the Mayor and City Council of the City of Camilla, Georgia, are responsible for protecting the health, safety and welfare of the citizens of Camilla; and

WHEREAS, the Mayor and City Council of the City of Camilla have found that it is in the interest of the community to permit individuals or entities to rent or use City property for the conduct of special events, and

WHEREAS, the Mayor and City Council of the City of Camilla deem it necessary and prudent to establish a uniform system for the permitting and regulation of such events, in order to properly protect the health, safety and welfare of the citizens of Camilla, while also permitting the conduct of special events that may also be of benefit to the community; and

NOW, THEREFORE, IT IS ORDAINED by the Mayor and City Council of the City of Camilla:

- <u>Section 1</u>. The official code of ordinances of the City of Camilla shall be amended by adopting Article V of Chapter 9, entitled "Special Events and Use of City Property," the text of which is attached hereto as "Exhibit A."
- Section 2. Repealer. All ordinances or parts of ordinances in conflict with this ordinance are hereby repealed.

<u>Section 3.</u> Severability. Should any provision of his ordinance be rendered invalid by any court of law, the remaining provisions shall continue in force and effect until amended or repealed by action of the City governing authority.

SO ORDAINED this 16th day of AUGUST , 2021.

THE CITY OF CAMILLA

Kelvin M. Owens, Mayor

Cheryl Ford Clerk

First Reading: 07-19-2021 Second Reading: 08-16-2021

#### ARTICLE V OF CHAPTER 9.

#### SPECIAL EVENTS AND USE OF CITY PROPERTY

#### Section 9-5-1 Short title.

This chapter shall be known and may be cited as the City of Camilla, Georgia "Special Events and Use of City Property Ordinance."

#### Section 9-5-2 Definitions.

Unless the context indicates otherwise, the meaning of certain terms used in this chapter is as follows:

Applicant shall mean an individual or entity seeking a permit to host an event on city property. The applicant or, if the applicant is a corporation or similar entity, applicant's designee shall be responsible for compliance with all provisions of this chapter and other applicable chapters.

City means the City of Camilla, Georgia.

Governing authority means the Mayor and City Council of the City of Camilla.

Special event means any temporary event, activity, for public or private attendance that will occur on city property and will require or involve one or more of the following activities: closing (full or partial) of a public street; blocking or obstructing public property; exclusive use of the entirety or a portion of a city park or other city property or facility; the erection, use, or installation of a tent, canopy, stage, trailer, grandstand, bleachers, or any other structure; or placement and use of portable toilets (except where designated for use as part of ongoing construction on the property). Examples of "special events" include, but are not limited to: family reunions; cookouts or picnics attended by 20 or more people; fairs; festivals; "fun runs;" walks, and other kinds of races; parades; rallies; concerts; tours; and block parties.

Vendor means any person, group of persons, organization, association, club, or other entity that engages in the sale to the public of any food or food products, goods, services, or merchandise of whatever nature from any location, either mobile or stationary, on a temporary basis on any public street, sidewalk, right-of-way, or private property as an authorized participant in a special event. Vendors participating as part of a special event for which a lawful permit has been issued are excused from complying with the city's commercial soliciting ordinance for the duration of the vendors' participation in the special event.

#### Section 9-5-3 Permit required.

Except where otherwise permitted by this chapter, it is unlawful for any person, group of persons, organization, association, club, or other entity to conduct or cause to be conducted any special event on city property without having first obtained a valid special event permit from the city. The permit issued must be available upon request for review and inspection. Special event

permits are temporary and shall not vest any permanent property rights. Issued permits are effective only for the time period described on the permit. Special events are limited to the hours of operation specified in the permit. In no instance shall a special event be permitted to occur over the course of any more than 3 consecutive calendar days.

# Section 9-5-4 Application required for permit.

Not less than 60 days nor more than 120 days prior to the special event, an application for a special event permit shall be submitted to the city manager and shall contain the following information:

- (1) The name, mailing address, email address, and telephone number of each applicant and, if a corporation, partnership, or other entity, the name, address, email address, and telephone number of a person designated as responsible for compliance with all provisions of this chapter and other applicable chapters.
- (2) A description of the proposed event.
- (3) The date(s), location(s), and hours of operation proposed for the special event.
- (4) A schedule, however tentative, of proposed activities.
- (5) An estimate of the projected attendance. The applicant is required to promptly update the city on any significant changes or anticipated changes in these figures.
- (6) A description of any services anticipated as being needed from the city. The applicant is required to promptly update this description and notify the city at the earliest opportunity as any need or anticipated need for services changes.
- (7) A description of any of the following elements contemplated for use or need in conducting the special event: closing (full or partial) of a public street; blocking or obstructing public property; the erection, use, or installation of a tent, canopy, stage, trailer, grandstand, bleachers, or other structure; pyrotechnics or sound amplification devices; placement and use of portable toilets; and signage.
- (8) A plan for parking along with plans for restroom facilities and the collection and removal of rubbish, garbage, and any other waste byproducts generated by the special event. An acceptable plan must provide for the immediate removal of all rubbish, garbage, and any other waste byproducts generated by the special event upon the conclusion of the special event.
- (9) Any other information the city manager may deem necessary and appropriate to determine whether the permit meets the requirements of this article.

The permit shall not waive the requirements of complying with other sections of this Code including, but not limited to, regulations on alcoholic beverages, business licenses, fire safety, zoning and signs.

The 60 - 120 day window for application may be waived upon order from the city manager upon a showing of clear and compelling need of immediate action. Among other reasons, ignorance of the permit requirement shall not establish clear and convincing need.

# Section 9-5-5 Additional items required for consideration and issuance of a permit.

In addition to the information required above in an application for a special event permit, the following materials and information must be provided in support of and in addition to the application, all of which must be provided before an application will be considered:

- (1) If the applicant is a corporation, the state and date of incorporation, a representation that the corporation is qualified to do business in Georgia, and the name and address of the registered agent for service of process for the corporation in Georgia.
- (2) If the applicant is a corporation or other business entity required to comply with the State of Georgia SAVE and E-Verify requirements, a sworn declaration that the corporation is in compliance therewith. If the business entity is not subject to those requirements, a statement describing the reason(s) for any claimed exemption with sufficient particularity to permit a determination of the bona fides of the claim.
- (3) Identification of any location(s) within the prior 12 months where the applicant conducted a similar special event, if any.
- (4) Copies of written notices informing residences and businesses adjacent to the event area of the intent to host a special event. If the special event involves a parade, procession, or other event without a centralized location, this notification requirement may be waived by the city manager upon request. This notification requirement may also be waived if the city manager determines it would be unreasonable and unduly burdensome in light of the number of residences and businesses to be notified.
- (5) Proof of comprehensive liability insurance naming the city as an additional insured. Such insurance must provide at a minimum \$1,000,000.00 of coverage for personal injury per person and \$1,000,000.00 of property damage coverage covering all claims arising from a permit issued under this chapter. The city manager may waive or reduce this requirement for a special event that:
  - (a) Will not require or involve one or more of the following activities: closing (full or partial) of a public street; blocking or obstructing public property; the provision of merchandise, food, or beverages (whether by sale or otherwise); the erection, use, or installation of a tent, canopy, stage, trailer, grandstand, bleachers, or any other structure; use of any kind of pyrotechnics or sound amplification devices; or placement and use of portable toilets;
  - (b) Is in response to an immediate, current event defined as national, state, or local event or incident occurring within seven days prior to the proposed special event; or
  - (c) The applicant is an entity or organization recognized by the Federal Internal Revenue Service as satisfying the requirements of 26 U.S.C. § 501(c) or a charitable organization subject to and governed by O.C.G.A. § 43-17-1 et seq. Proper proof of Section 501(c) status and/or registration as required by O.C.G.A. § 43-17-1 et seq. is required.

In exercising this discretion, the city manager shall consider the nature of the activities planned for the participants in the proposed special event; the risk of potential injury or

harm to private property and private persons arising from the activities planned for the participants in the proposed special event; and the risk of potential injury or harm to public property arising from the activity planned for the participants in the proposed special event.

(6) The applicant shall provide a written agreement in a form satisfactory to the city providing that the applicant shall defend, pay, and hold harmless the city, its elected and appointed officials, employees, and agents from liability for all personal and property damages arising from any acts or omissions resulting from a special event, inclusive also of any claims for attorneys' fees and costs connected with such claims, except for such claims arising solely from the negligent acts of the city, its elected and appointed officials, employees, and agents.

#### Section 9-5-6 Permit conditions.

Any special event permit issued by the city is subject to the following conditions and any other conditions determined to be reasonably necessary to protect the city's public safety, health, welfare, and good order:

- (1) The permit is limited to the specific geographic area(s) as shown on Exhibit "B" and titled "Entertainment District" within which the event is to take place. The applicant or other person designated is responsible for providing for security and sanitation services within the boundaries of the event until the area is cleared of all activities and structures related to the event.
- (2) Except as needed for clearing the event area(s) of all activities and related structures, no special event shall continue beyond the time approved on the permit.
- (3) The special event must comply with the city's noise ordinance and all other ordinances governing the conduct of the special event.
- (4) The use of glass containers within the area designated for the special event is prohibited.
- (5) The city shall have the right to require immediate termination or cessation of a special event if a determination is made the special event or aspects of the special event create or present an imminent threat to the public's safety, health, welfare, and good order. Upon being notified that the special event or an aspect of the special event must cease, it shall be unlawful for the applicant and and/or its designee to allow such activity to continue.
- (6) A permit issued under this chapter may not be assigned or transferred.

#### Section 9-5-7 Denying applications and revoking permits.

Upon submission of a complete application and all information and materials required by this chapter, payment of any required fee, and receipt of any additional materials deemed necessary, the city manager shall within three business days review the application for completeness. If additional time is necessary due to the absence of the city manager and the applicant does not agree to additional time to permit the city manager's review of the application and materials, the application may be denied for lack of appropriate review.

- (a) Reasons for denial of a special event application include:
  - (1) The event will disrupt traffic within the city beyond practical solution;
  - (2) The event will interfere with access to fire stations and fire hydrants;
  - (3) The location of the special event will cause undue hardship to adjacent businesses or residents;
  - (4) The event will require the diversion of so many public employees that allowing the event would unreasonably deny service to the remainder of the city;
  - (5) The application contains incomplete or false information;
  - (6) The applicant fails to comply with all terms of this article including failure to remit all fees and deposits or failure to provide liability insurance quote (proof of insurance/bond is required 7 days prior to event), bonds and a save harmless agreement to the city; or
  - (7) The event will last longer than 3 consecutive calendar days.
- (b) If an application for a permit is denied or revoked the applicant may request in writing the action be reviewed by the governing authority. Such a request must be submitted to the city clerk within 5 days of the action complained of and must state with specificity the grounds for the appeal.
  - (1) From the filing date of the appeal, the hearing before the governing authority shall be scheduled for the next available governing authority meeting (City Council Meeting). The governing authority has the discretion, upon determining that exigent circumstances warrant, to schedule and hold an earlier meeting to consider an appeal.
  - (2) The appeal hearing shall be limited to the grounds stated in the appeal. The city manager and other persons directly affected by the decision at issue may speak and present evidence at the hearing and the parties may be represented by counsel at the appeal hearing.
  - (3) The governing authority shall issue its decision on the appeal within five days of concluding the hearing.
- (c) Once the governing authority approves the special event permit, all permits issued pursuant to this article shall be temporary and do not vest any permanent rights. Reasons for revocation by the city manager of a special events permit include:
  - (1) Application contained incomplete or false information;
  - (2) Applicant does not comply with all terms and conditions of permit or any other applicable city, state, or federal laws;
  - (3) Applicant fails to arrange for or adequately remit all fees, deposits, insurance or bonds to the city; or

- (4) There exists an emergency or exigent circumstances such as a disaster or public calamity that impacts the public safety, health, welfare, and good order to such an extent that it is reasonably prudent to revoke or deny the permit.
- (d) If a special event permit is revoked, the city manager shall notify the applicant in writing, providing the reason(s) for same, and the applicant of his/her right to appeal. If the permit is revoked, the special event may not proceed and, if revoked while ongoing, the special event must cease immediately.

# Section 9-5-8 Security deposit and rental fees.

- (a) A security deposit as shown on the Master Fee Schedule shall be remitted to the city before the special event permit is issued. This requirement may be waived by the city manager if he determines, based on specific factual findings, that the performance deposit would be unduly burdensome or unnecessary given the size of the event or past history.
- (b) Rental fees for each park, indoor space, or other city property shall be established by the governing authority. A list of available venues and associated rental fees shall be available at City Hall.
- (c) Within twenty-four (24) hours of the conclusion of an event, the venue shall be cleaned and returned to its pre-event condition. This shall include cleaning any city streets, rights-of-way or any other city facility used or affected by the event. With approval, removal of tents, canopies, stages, trailers, grandstands, bleachers, portable toilets or any other structure may be given additional time for removal

#### Section 9-5-9 Immunities.

- (a) This article shall not be construed as a waiver of any immunity to which the city is entitled.
- (b) This article shall not be construed as imposing upon the city or its officials or employees any liability or responsibility for any injury or damage to any person in any way connected to the use for which permit has been issued. The city and its officials and employees shall not be deemed to have assumed any liability or responsibility by reasons of inspections performed, the issuance of any permit or the approval of any use of the right-of-way or other public property.

#### Section 9-5-10 Vendors.

- (a) The applicant responsible for the special event shall be responsible for all vendors as a component of the special event and shall be responsible for designating the location and activities of vendors consistent with a special event permit and any applicable conditions.
- (b) Authorized vendors providing food and/or merchandise for sale are not required to obtain or possess a separate vendor's permit to operate during the special event unless the vendor is a provider of alcoholic beverages as a part of the event. This provision notwithstanding, food vendors are required to comply with the rules and regulations of

- the state and the Mitchell County health department as to the preparation and service of food.
- (c) The dispensing of alcoholic beverages, by sale or otherwise, as a part of the special event shall be allowed provided that each vendor dispensing alcoholic beverages shall have been duly licensed by the state, city, or other local governing authority to engage in off-premises dispensation and has complied with all provisions of the city's ordinances relating to the sale or dispensation otherwise of alcoholic beverages off premises.

# Section 9-5-11 City co-sponsorship of special events.

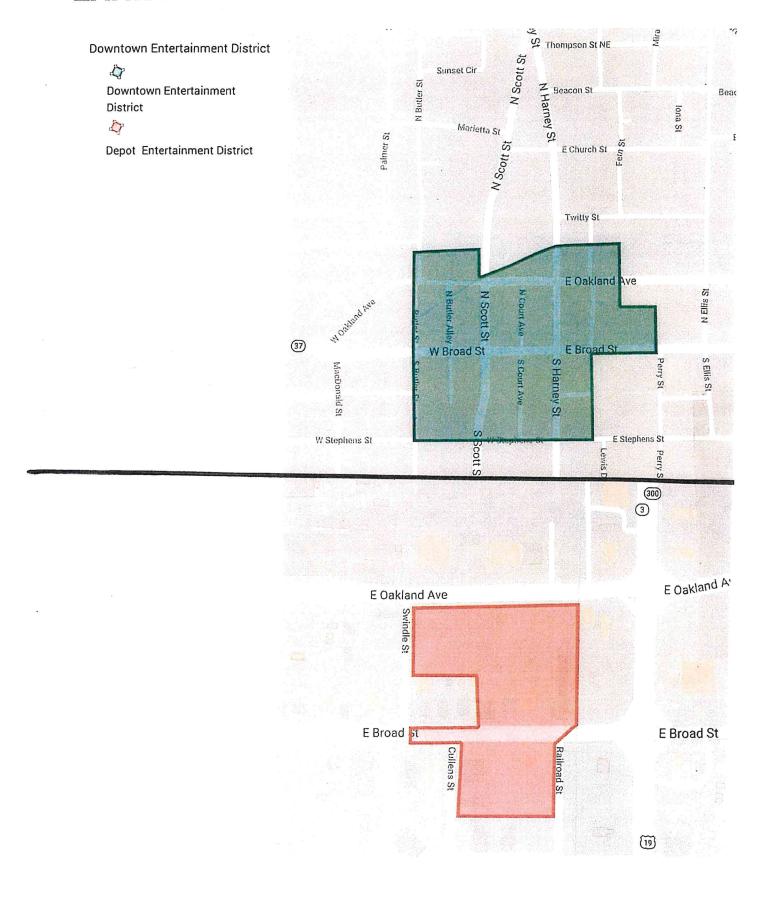
The city may co-sponsor a proposed special. Co-sponsorship may take the form of a monetary contribution in support of the event, provision of services in-kind at no cost to the applicant, or both. Decisions on whether to participate in the proposed special event as a co-sponsor and what will be provided as a co-sponsor are entrusted to the discretion of the governing authority. Co-sponsorship of a proposed special event is limited only to those events where the applicant is an entity whose primary purpose is to promote economic development in the city or Mitchell County or an entity that is a non-profit organization that seeks to promote and advance the health, welfare, or safety of the public or a segment of the public within the city or Mitchell County and which has its principal place of business located in the city or Mitchell County. As a part of the application process an applicant may request that the city co-sponsor the proposed special event. The request must be in writing, describe with particularity the type(s) of co-sponsorship desired, and describe how the special event proposed will enhance or promote economic development in the city or promote and advance the health, welfare, or safety of the public or a segment of the public within the city or Mitchell County.

# Section 9-5-12 Security.

The applicant shall at applicant's expense provide one (1) City of Camilla certified police officer for every one hundred attendees. The officer(s) shall attend the event for its entire jurisdiction. It shall be the duty of the police officer to see that the event is conducted in compliance with all applicable laws and regulations including without limitation the ordinances of the City of Camilla and in an orderly and peaceful manner consistent with the health, safety and welfare of the City.

Sections 9-5-13-9-5-15 Reserved.

# **EXHIBIT "B" Entertainment Districts**



# **EXHIBIT "B" Entertainment Districts**

Untitled layer

D

Centennial Stadium Parking Lot District

Centennial Stadium Parking Lot District

