



TENNESSEE LOCAL DEVELOPMENT AUTHORITY
JUNE 24, 2024
AGENDA

- 1) Call meeting to order, establish that there is a physical quorum, and receive public comments on actionable items in accordance with 2023 Public Chapter 300 and Board guidelines.
- 2) Approval of minutes from the TLDA meeting of May 14, 2024
- 3) Consideration of requests from the City of Humboldt and the Humboldt Utilities Authority:
 - a) Consider for approval a request to transfer (through the issuance of new SRF loans with the same terms) the City of Humboldt's SRF loans to the Humboldt Utilities Authority and to update the security to the combined revenues of the System
 - b) Consider for approval a request from Humboldt Utilities Authority to issue Water and Sewer Revenue Bonds in an amount not to exceed \$400,000 on parity with its SRF loans

4) Consider for approval the following Clean Water Loan:

	SRF Base Loan	Principal Forgiveness	Total Request	Interest Rate	Term
Rocky Top, CW8 2023-482-01	\$ 1,300,000	\$ -	\$ 1,300,000	1.24%	20

5) Consider for approval the following Drinking Water Loan:

	SRF Base Loan	Principal Forgiveness	Total Request	Interest Rate	Term
Cookeville, DWF 2022-244-01	\$ 5,500,000	\$ -	\$ 5,500,000	1.85%	20

- 6) Report on the notification from the Town of Chapel Hill submitted to comply with TLDA SRF Policy and Guidance for Borrowers
- 7) Adjourn

TENNESSEE LOCAL DEVELOPMENT AUTHORITY
May 14, 2024

The Tennessee Local Development Authority (the “TLDA”) met on Tuesday, May 14, 2024, at 3:20 p.m. in the Volunteer Conference Center, 2nd Floor, Cordell Hull Building, Nashville, Tennessee. The Honorable Tre Hargett, Secretary of State, was present and presided over the meeting.

The following members or proxies were also present:

Mr. William Wood, proxy for the Honorable Jason E. Mumpower, Comptroller of the Treasury
The Honorable David H. Lillard, Jr., State Treasurer
Commissioner Jim Bryson, Department of Finance and Administration
Mayor Paige Brown, House Appointee

The following member participated electronically as authorized by Tennessee Code Annotated § 8-44-108:

Mayor Rollen “Buddy” Bradshaw, Senate Appointee

The following member was absent:

The Honorable Bill Lee, Governor

Recognizing a physical quorum present, Secretary Hargett called the meeting to order. Secretary Hargett asked Ms. Thompson to conduct a roll call:

Commissioner Bryson—Present
Treasurer Lillard—Present
Secretary Hargett—Present
Mayor Bradshaw—Present
Mayor Brown—Present
Mr. Wood—Present

Secretary Hargett, in accordance with Public Chapter 300 and Board guidelines, asked Ms. Sandra Thompson, TLDA Assistant Secretary and the Director of the Division of State Government Finance (SGF), if any requests for public comment had been received. Ms. Thompson responded that no requests for public comment had been received.

Secretary Hargett stated that the next item of business was approval of the minutes from the March 25, 2024, TLDA meeting. He inquired if there were any questions or comments. Hearing none, Mayor Brown moved approval, and Treasurer Lillard seconded the motion. Secretary Hargett asked Ms. Thompson to conduct a roll call vote:

Commissioner Bryson—Aye
Treasurer Lillard—Aye
Secretary Hargett—Aye
Mayor Bradshaw—Aye
Mayor Brown—Aye
Mr. Wood—Aye

The minutes were unanimously approved.

Secretary Hargett stated that the next item on the agenda was the consideration and approval of a Clean Water State Revolving Fund (CWSRF) loan. He recognized Ms. Vena Jones, Program Manager, Tennessee Department of Environment and Conservation (TDEC) Division of Water Resources, to present the request. Ms. Jones first presented the Report on Funds Available for Loan Obligation for the CWSRF Loan Program. She stated the

unobligated fund balance was \$124,611,175 as of March 25, 2024. Since that time, the unobligated balance had increased by \$3,468,080 with the return of unused loan funding for a project from the Metropolitan Government of Nashville and Davidson County. Upon approval of the loan request to be presented totaling \$509,843, the remaining funds available for loan obligations would be \$127,569,412. She then presented the CWSRF loan request.

- **Tulahoma Utilities Authority (CW8 2023-442-01)** Requesting \$509,843 for a new pump station (PS) and force main: replacement of the existing Ovoca Road PS and the installation of approximately 10,000 linear feet of 12-inch diameter force main along Ovoca Road; recommended interest rate of 2.35% based on the Ability to Pay Index (ATPI); Priority ranking 16 of 53 (FY2021); Term: 20 years

Secretary Hargett inquired if there were any questions or comments. Hearing none, Secretary Hargett motioned to approve the loan, and Commissioner Bryson seconded the motion. Secretary Hargett asked Ms. Thompson to conduct a roll call vote:

Commissioner Bryson—Aye
Treasurer Lillard—Aye
Secretary Hargett—Aye
Mayor Bradshaw—Aye
Mayor Brown—Aye
Mr. Wood—Aye

The loan was unanimously approved.

Secretary Hargett stated that the next item on the agenda was the consideration and approval of Drinking Water State Revolving Fund (DWSRF) loans and said that unless there were any objections the TLDA would hear all three loan requests prior to asking for a motion to approve. Hearing none, he recognized Ms. Jones to present the requests. Ms. Jones first presented the Report on Funds Available for Loan Obligation for the DWSRF Loan Program. She stated the unobligated fund balance was \$74,035,301, as of November 29, 2023. Since that time, the unobligated had increased by \$633,538 with the return of unused loan funding for a project from the City of Smyrna. Upon approval of the loan requests to be presented totaling \$24,280,432, the remaining funds available for loan obligations would be \$50,388,407. She then presented the DWSRF loan requests.

- **Oak Ridge (DWF 2022-253-01)** Requesting \$20,000,000 for construction of a new 16 million gallons per day water treatment plant; recommended interest rate of 3.33% based on the ATPI; Priority ranking 20 of 48 (FY2020); Term: 30 years
- **Winchester (DG21 2024-265)** Requesting \$4,170,500 (\$3,336,400 (80%) loan; \$834,100 (20%) principal forgiveness) for water meter replacements: installation of approximately 12,950 advanced metering infrastructure meters; recommended interest rate of 2.17% based on the ATPI; Priority ranking 119 of 143 (FY2022); Term: 15 years
- **Woodbury (DW7 2020-220-01)** Requesting \$109,932 for new water storage tank: Construction of a new 0.75-million-gallon water storage tank adjacent to the existing Parker Hill storage tank; recommended interest rate of 2.30% based on the ATPI; Priority ranking 5 of 21 (FY2018); Term: 20 years

Secretary Hargett inquired if there were any questions or comments. Hearing none, Secretary Hargett motioned to approve the loans, and Commissioner Bryson seconded the motion. Secretary Hargett asked Ms. Thompson to conduct a roll call vote:

Commissioner Bryson—Aye
Treasurer Lillard—Aye
Secretary Hargett—Aye
Mayor Bradshaw—Aye

Mayor Brown—Aye
Mr. Wood—Aye

The loans were unanimously approved.

Secretary Hargett stated that the next item on the agenda was an update on the SRF program's Clean Water (CW) and Drinking Water (DW) priority ranking lists (PRL). Ms. Jones was recognized to present the item. Ms. Jones stated that she had included a summary of the PRLs in the meeting materials. She explained that while many communities were still interested in SRF funding, some were less interested because they were accessing American Rescue Plan (ARP) funding. Ms. Jones pointed out that 27 of the 104 communities on the CW PRL had opted not to pursue SRF funding. Regarding the DW survey, Ms. Jones reported that 143 communities were on the DW PRL, with 33 still interested in obtaining approval for SRF funding with only 16 that decided not to proceed. She noted that the primary reason that communities were opting out was because they were utilizing ARP funds instead. Ms. Jones pointed out that there were 14 DW communities considering SRF with ARP funding. Secretary Hargett asked if that concluded her report, and Ms. Jones responded affirmatively. Secretary Hargett inquired if there were questions or comments. Hearing none, he commended Ms. Jones for her presentation and assured the board members that Ms. Jones could address any follow-up questions in the future.

Hearing no other business, Secretary Hargett called for a motion to adjourn. Mr. Wood motioned to adjourn the meeting. Treasurer Lillard seconded the motion. Secretary Hargett asked Ms. Thompson to conduct a roll call vote:

Commissioner Bryson—Aye
Treasurer Lillard—Aye
Secretary Hargett—Aye
Mayor Bradshaw—Aye
Mayor Brown—Aye
Mr. Wood—Aye

The meeting was adjourned.

Approved on this _____ day of _____, 2024.

Respectfully submitted,

Sandra Thompson
Assistant Secretary



JASON E. MUMPOWER
Comptroller

June 24, 2024

**City of Humboldt and Humboldt Utilities Authority
Request for TLDA Approval of Assignment of SRF Loans,
Additional Debt Issuance, and Modification of Lien Position**

The City of Humboldt (the “City”) is requesting approval from the Tennessee Local Development Authority (the “TLDA”) to transfer its outstanding SRF loans to the newly created Humboldt Utilities Authority (the “Authority”). The Municipal Energy Authority Act, Tenn. Code Ann. § 7-36-101, et seq., and Chapter 41 of the Private Acts of 2023-2024 permits the City to establish the Authority as a public corporation and political subdivision of the State of Tennessee and to transfer the assets and liabilities of the City’s water system and the City’s sewer system to the Authority. Pursuant to the Act, the Authority must retire, defease, or assume the outstanding debt of the City’s water and sewer systems (the “System”) as a condition of the transfer of the System from the City to the Authority.

The City is the current borrower on four State Revolving Fund (SRF) Loan Agreements that are payable from the City’s water system and four SRF Loan Agreements that are payable from the City’s sewer system (the “SRF Loan Agreements”). The City is requesting approval for the City to assign the SRF Loan Agreements to the Authority.

The City has additional outstanding indebtedness related to the System that will be retired with the proceeds of a new series of water and sewer revenue bonds (the “Bonds”) to be issued by the Authority in connection with the transfer of the System to the Authority. To obtain the most favorable rates of interest on the Bonds, the Authority proposes that the Bonds be payable from and secured by a pledge of a shared senior lien on the revenues of the System. The Authority also requests that the TLDA consent to each of the SRF Loan Agreements being payable from and secured by a pledge of the revenues of the System as a whole, as opposed to a pledge of the revenues of only the water system or only the sewer system. Therefore, the Authority is requesting to issue the Bonds in an amount not to exceed \$400,000 and that the TLDA agree that its lien on the revenues of the combined System be on parity with the liens in favor of the Bonds. Approval for the Authority to issue additional debt and modify lien position is required by provisions set forth in the State Revolving Fund (SRF) loan agreement and guidelines set forth in the *TLDA/SRF Policy and Guidance for Borrowers*.

1. The requestor is a:

Municipality: The City is requesting to transfer its SRF loans to the newly created Authority.

Water/Wastewater Authority: Upon transfer of the loans from the City to the Authority, the Authority must request permission to issue debt and modify lien position.

Will the proposed debt be secured by revenues other than revenues of the System (e.g. electric, gas)? ___ Yes No

2. Lien Position:

The Authority is requesting the TLDA agree to a shared senior lien on the revenues of the combined System on parity with the liens in favor of the Bonds.

The borrower is requesting to subordinate its outstanding SRF debt to the proposed debt issuance.

The borrower is not requesting a modification of lien position and the proposed debt will be issued subordinate to the SRF debt.

3. The purpose of the proposed debt issuance is:

Refunding

New Money (The Authority will issue new Bonds to retire outstanding indebtedness of the City's System as required by state law.)

4. Additional Information:

The City and Authority believe that the TLDA's consent to its request is in the interest of the public as it will facilitate the transfer of the System from the City to the Authority, which the City has determined is in the best interest of the citizens. In addition, the request letter states that they believe the TLDA's consent will preserve the Authority's ability, subject in any event to TLDA approval, to incur future debt on a shared senior lien basis, thereby minimizing interest costs payable by System ratepayers.

5. The debt rating of the borrower is:

Please indicate N/R if not rated.

Moody's

Standard and Poor's

Fitch

6. The following SRF loans are currently authorized/outstanding:

Borrower	Humboldt - Humboldt Utilities						
Date	4/1/2024						
Loan Type	Loan #	Status	Disbursements	Available to Draw	% Principal Forgiveness	Edison Balance @4/01/24	MADS
Sewer	SRF 11-277	Repayment	1,317,794.00	-	0%	652,893.00	76,284.00
Sewer	CW7 19-432	Repayment	3,000,000.00	-	10%	2,442,439.00	148,572.00
Sewer	SRF 19-433	Repayment	7,900,000.00	-	0%	7,054,960.00	434,712.00
Sewer	SRF19-433-01	Repayment	4,607,602.00	-	0%	4,235,037.00	241,368.00
Water	DW6 19-213	Repayment	1,000,000.00	-	20%	704,233.00	45,096.00
Water	DW7 19-214	Repayment	1,000,000.00	-	20%	679,806.00	45,096.00
Water	DWF 19-215	Repayment	4,000,000.00	-	0%	3,398,980.00	225,492.00
Water	DWF 19-215-01	Construction	332,858.00	177,142.00	0%	332,858.00	26,749.00
			23,158,254.00	177,142.00	-	19,501,206.00	1,243,369.00

7. Compliance with SRF Loan Agreements:

a. Timely repayments [4.(a)]

Yes No

b. Security Deposit [8.]

The Authority will be required to deposit for each loan an amount equal to maximum annual debt service upon the TLDA’s approval of the request considered herein.

Amount to be deposited: \$1,243,369

c. State-Shared Taxes [8.] N/A

\$ _____ SSTs received in prior fiscal year
 \$ _____ Total MADs (with SST pledge)
 \$ _____ Unobligated SSTs

d. GAAP Accounting and Audited Annual Financial Statement Requirement [7.(g) and (m)(2)]

The Authority’s first year of operations will be fiscal year 2025 with operations expected to commence on July 1, 2024.

The City did not timely file its audited financial statements with the Division of Local Government Audit for the fiscal year ended June 30, 2023, within six months after fiscal year end. An explanation from the City’s audit firm was submitted with its request letter.

e. Sufficient Revenues [7.(k)]

Yes No

For the fiscal year ended June 30, 2023, the Authority’s audited financial statements for the Water and Sewer Fund reflected operating income of \$2,873,606, and a positive change in net position of \$2,826,890 for the water and sewer system. The statement of cash flows reflected debt service payments of \$1,404,618, consisting of principal payments of \$1,182,485 and interest payments of \$222,133 for the water and sewer system.

At June 30, 2023, the Authority reported \$6,121,868 in cash and cash equivalents and \$1,000,000 in cash investments in its water and sewer system.

f. Debt Service Coverage Ratios [7.(l) and (m)(3) & (4)]

The current and projected Debt Service Coverage Ratio meets or exceeds 1.2 times.

Yes No

If no, include a schedule of revised rates and fees. Included N/A

Most Recent Fiscal Year (m)(3):

The water and sewer system’s debt service coverage ratio for fiscal years 2021, 2022, and 2023 was 0.68x, 2.56x, and 2.94x, respectively (as provided by the Authority). The Authority met the debt service coverage requirement for fiscal year 2022 and 2023.

Next Three Fiscal Years After Debt Issuance (m)(4):

The Authority projects that it will meet the debt service coverage requirement with estimated net revenues to debt service ratios of 2.28x, 2.08x, and 1.97x for fiscal years 2024, 2025, and 2026, respectively.

g. Is the entity currently under the jurisdiction of the Tennessee Board of Utility Regulation (TBOUR)? [7.(n)]

Yes No

If yes, reason for referral: Water Loss Financial Distress Administrative Review

If the reason is financial distress, include a schedule of revised rates and fees along with a copy of the corrective action order from the respective board. Included N/A

8. Has the entity adopted and filed a budget with the Comptroller’s Office pursuant to Tenn. Code Ann. § 4-3-305?

Yes No

If not, has a waiver been granted by the Comptroller's Division of Local Government Finance to allow the entity to issue this debt?

Yes No

9. Conclusion

Based upon our analysis and considering the Authority will assume the operations of the City's System, the Authority will have the ability to assume the City's SRF loans and to meet its other debt obligations.

Furthermore, the Authority appears to meet the requirements to issue the Bonds with a shared senior lien position of the combined System's revenues on parity with its SRF Loans.

Attachments:

- Debt Service Coverage (provided by Authority)
- Request Letter
- Assignment, Assumption, and Termination Agreement
- Waiver of Opinion Letter

HUMBOLDT UTILITIES AUTHORITY
DEBT SERVICE COVERAGE AND FINANCIAL PROJECTIONS
WATER AND SEWER

	AUDITED			FORECAST			
	2021	2022	2023	2024	2025	2026	2027
Operating Revenue	3,320,907	6,471,461	7,799,312	6,769,963	7,050,147	7,261,651	7,515,809
Operating Expenses	2,346,976	2,748,749	3,626,915	3,704,879	4,290,261	4,650,500	5,150,500
Depreciation	663,458	665,169	1,298,791	1,431,757	1,475,000	1,485,000	1,490,000
Operating Income	310,473	3,057,543	2,873,606	1,633,327	1,284,886	1,126,151	875,309
Non Operating Income	50,475	51,599	63,537	172,232	150,000	150,000	150,000
Non Operating Expenses	(188,693)	(201,902)	(222,133)	(209,169)	(210,529)	(212,500)	(214,500)
Income before Contributions and Transfers	172,255	2,907,240	2,715,010	1,596,390	1,224,357	1,063,651	810,809
Capital Contributions / Grants	3,482,455	3,204,179	161,327	14,727	186,000	18,000	18,000
Transfers Out - Tax Equivalents	(45,629)	(59,403)	(49,447)	(49,000)	(50,000)	(52,000)	(54,000)
Change in Net Position	3,609,081	6,052,016	2,826,890	1,562,117	1,360,357	1,029,651	774,809
Beginning Cash & Cash Equivalents	5,449,548	4,351,345	5,344,556	6,121,959	5,553,033	5,693,064	5,612,490
Change in Cash	(1,098,203)	993,211	777,403	(568,926)	140,031	(80,574)	(438,441)
Ending Cash & Cash Equivalents	4,351,345	5,344,556	6,121,959	5,553,033	5,693,064	5,612,490	5,174,049
<i>Cash Flow</i>							
Net Cash Provided (Used) by							
Operating Activities	506,980	3,924,497	3,491,928	3,069,963	2,850,147	2,661,651	2,415,809
Capital & Related Financing Activities	(1,610,029)	(2,923,482)	(1,728,615)	(1,764,889)	(1,735,116)	(1,740,225)	(1,850,250)
Investing Activities	50,475	51,599	(936,463)	(1,825,000)	(925,000)	(950,000)	(950,000)
Non-Capital Financing Activities	(45,629)	(59,403)	(49,447)	(49,000)	(50,000)	(52,000)	(54,000)
Net Increase (Decrease) in Cash	(1,098,203)	993,211	777,403	(568,926)	140,031	(80,574)	(438,441)
Net Revenues	973,931	3,722,712	4,172,397	3,065,084	2,759,886	2,611,151	2,365,309
Debt Service							
Principal	1,199,073	1,226,217	1,210,228	1,148,473	1,140,694	1,150,978	1,161,322
Interest	233,571	227,583	208,792	198,637	186,661	174,552	162,396
Total Debt Service	1,432,644	1,453,800	1,419,020	1,347,110	1,327,355	1,325,530	1,323,718
Debt Service Coverage Ratio	0.68	2.56	2.94	2.28	2.08	1.97	1.79

ALEX SMITH
General Manager

May 10, 2024

Ms. Sandra Thompson, Assistant Secretary
Tennessee Local Development Authority
Cordell Hull Building
425 Rep. John Lewis Way, North
Nashville, Tennessee 37243

RE: The City of Humboldt–Transfer of SRF Loans to the Humboldt Utilities Authority

Dear Sandi:

The City of Humboldt (the “City”) proposes to establish the Humboldt Utilities Authority (the “Authority”) pursuant to Chapter 41 of the Private Acts of 2023-2024 and the Municipal Energy Authority Act, Sections 7-36-101 et seq., Tennessee Code Annotated, and to transfer the assets and liabilities of the City’s water and sewer system (the “System”) to the Authority. A copy of the City Resolution authorizing the transfer of assets and assumption of liabilities of the City’s utilities to the Authority is attached hereto as Exhibit A. The City is party to four State Revolving Fund Loan Agreements that are payable from the City’s water system and four State Revolving Fund Loan Agreements that are payable from the City’s sewer system (the “SRF Loan Agreements”). A complete list of the SRF Loan Agreements is attached hereto as Exhibit B. The City and the Authority wish to assign these SRF Loan Agreements from the City to the Authority, and hereby request your approval thereof. The City and the Authority are prepared to provide the Tennessee Local Development Authority (the “TLDA”) any information it needs to assess this request, and to approve and execute any documents required by the TLDA to effectuate the assignment of the SRF Loan Agreements to the Authority.

The City has additional outstanding indebtedness related to the System that will be retired with the proceeds of a new series of Authority water and sewer revenue bonds (the “Bonds”) to be issued in connection with the transfer of the System to the Authority. In order to obtain the most favorable rates of interest on the Bonds, the Authority proposes that the Bonds be payable from and secured by a pledge of a shared senior lien on the revenues of the System.

In order to accommodate the proposed structure of the Bonds, the SRF Loans Agreements would likewise need to be payable from and secured by a shared senior lien on the revenues of the System. To that end, we hereby request:

- (1) that the TLDA consent to each of the SRF Loan Agreements being payable from and secured by a pledge of the revenues of the System as a whole, as opposed to a pledge of the revenues of only the water system or only the sewer system; and
- (2) that the TLDA approve the Authority's request to issue the Bonds in an amount not to exceed \$400,000 and agree that its lien on the revenues of the combined System be on parity with the liens in favor of the Bonds.

We believe that the TLDA's consent to these requests is in the public interest insofar as it will facilitate the transfer of the System from the City to the Authority, which the City has determined to be in the best interest of its citizens. We also believe that the TLDA's consent to these requests is in the public interest insofar as it will preserve the Authority's ability, subject in any event to TLDA approval, to incur future debt on a shared senior lien basis, thereby minimizing interest costs payable by System ratepayers. (We understand that under applicable State guidelines, all future debt of the Authority must be first approved by the TLDA.)

The City cites the following factors in favor of this request:

1. The City is in compliance with the terms of the SRF Loan Agreements.
2. The City has never failed to timely repay its SRF debt.
3. Except as set forth below, the City has filed its audited financial statements with the Division of Local Government Audit in a timely manner. The City and the City's utility system did file audited financial statements for the fiscal year ended June 30, 2023 late—explanation letters from the City's external auditor are attached for your review as Exhibit C.
4. Current and pro forma debt service coverage is attached as Exhibit D.

The City has targeted June 30, 2024 as the final day of City utilities operations and July 1, 2024 as the first day of Authority operations. Due to this timeframe, I respectfully ask that the TLDA consider this request as soon as possible. If you need further information, please contact me at asmith@humboldtutilities.com or (731) 784-9212. Thank you for your consideration of this request.

Sincerely,



Alex Smith
General Manager
Humboldt Utilities

Cc: Jeff Oldham (joldham@bassberry.com)
Betsy Knotts (betsy.knotts@bassberry.com)

Exhibit A

City Resolution

(See attached)

RESOLUTION #2024-02

A RESOLUTION APPROVING CHAPTER 41 OF THE PRIVATE ACTS OF 2024 AND AUTHORIZING THE MAYOR OR HIS DESIGNEE TO TAKE SUCH FURTHER ACTIONS AS ARE NECESSARY TO CAUSE THE TRANSFER OF ASSETS OF HUMBOLDT UTILITIES TO AND THE ASSUMPTION OF THE LIABILITIES OF HUMBOLDT UTILITIES BY THE HUMBOLDT UTILITIES AUTHORITY

WHEREAS, on October 23, 2023, the Board of Mayor and Aldermen of the City of Humboldt, Tennessee ("City") adopted Resolution #2023-03, urging the Tennessee General Assembly to pass a Private Act creating the Humboldt Utilities Authority ("Authority") and to authorize the City to transfer assets of the Humboldt Utilities to the Authority, subject to certain requirements; and

WHEREAS, on March 11, 2024, the House of Representatives of the State of Tennessee passed House Bill No. 2981, and on March 14, 2024, the Senate of the State of Tennessee substituted House Bill No. 2981 for Senate Bill 2966 and passed House Bill No. 2981, to create the Authority in substantially the form requested by the Board of Mayor and Aldermen; and

WHEREAS, on April 3, 2024, Governor Bill Lee signed House Bill No. 2981 into law as Chapter 41 of the Private Acts of 2024 of the State of Tennessee ("Chapter 41"), a copy of which is attached hereto as Exhibit A; and

WHEREAS, Section 36 of Chapter 41 provides the act shall have no effect unless the act is approved by a two-thirds (2/3) vote of the Board of Mayor and Aldermen; and

WHEREAS, the Board of Mayor and Aldermen desire to approve Chapter 41; and

WHEREAS, pursuant to Chapter 41, the Board of Mayor and Aldermen is authorized to transfer all of the City's right, title and interest in and all of the assets of Humboldt Utilities' electric, gas, water, and wastewater operations to the Authority; and

WHEREAS, as a condition of the transfer of the City's rights, title and interest in and all of the assets of the Board of Public Utilities of the City of Humboldt, Tennessee d/b/a Humboldt Utilities ("Humboldt Utilities") to the Authority, the Authority must either retire all of the City's bonds and notes associated with Humboldt Utilities, defease all such bonds and notes, or assume and agree to pay in full the principal of and interest on such bonds and notes.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF MAYOR AND ALDERMEN OF THE CITY OF HUMBOLDT, TENNESSEE:


1. That the Board of Mayor and Aldermen ratifies and approves Chapter 41 as required by Section 36 of Chapter 41;
2. That the Mayor is authorized and directed to certify the Board of Mayor and Aldermen's ratification and approval of Chapter 41 to the Secretary of State in accordance with Tenn. Code Ann. § 8-3-202;
3. That the Mayor and the Mayor's designee are each individually authorized to take all necessary or appropriate steps to transfer all of the City's rights, title and interest in and all of the assets of Humboldt Utilities to the Authority, provided that as a condition to such transfer, the Authority must assume all liabilities of Humboldt Utilities and must either retire all of the City's bonds associated with Humboldt or must defease all such bonds, with all such assumptions, retirements and defeasances to become effective with the transfer of assets from the City to the Authority;
4. That the Mayor and the Mayor's designee are each individually authorized to execute such agreements or other documents from time to time as may be necessary or appropriate to carry out the intent of this Resolution; and

5. That the Mayor, the Mayor's designee, the City Clerk and the City Treasurer are each individually authorized to take such further actions from time to time as are appropriate or necessary in connection with the formation of the Authority and as are appropriate or necessary to transfer the assets of Humboldt Utilities to and to cause the assumption of the liabilities of Humboldt Utilities by the Authority;

6. That, upon transfer of the assets of Humboldt Utilities to the Authority and the Authority's assumption or satisfaction of all obligations of Humboldt Utilities, the jurisdiction and control over such system shall be transferred to the Authority, and the Board of Public Utilities for Humboldt Utilities shall cease to exist; and

7. That Sections 1 and 2 of this Resolution shall be effective immediately upon this Resolution's passage and adoption by a two-thirds (2/3) vote of the Board of Mayor and Aldermen, and Sections 3 through 6 shall be effective immediately upon this Resolution's passage and adoption by the Board of Mayor and Aldermen.

ADOPTED on this 8th day of April, 2024.


Marvin Sikes, Mayor


Alicia Pigue, City Recorder

Exhibit A

Chapter 41 of the Private Acts of 2024 of the State of Tennessee

HOUSE BILL NO. 2981

PASSED: March 14, 2024



CAMERON SEXTON, SPEAKER
HOUSE OF REPRESENTATIVES



RANDY MCNALLY
SPEAKER OF THE SENATE

APPROVED this 27th day of March 2024



BILL LEE, GOVERNOR



**NOTICE TO SECRETARY OF STATE
OF RATIFICATION OF PRIVATE ACT**

SECRETARY OF STATE
Division of Publications
312 Rosa L. Parks Avenue
Eighth Floor
William R. Snodgrass Tennessee Tower
Nashville, TN 37243

Private Chapter No. 41, which is House
(Senate or House)

Bill No. 2981 of the 113th General Assembly, (please choose one):

Passed Failed No Action Taken

The vote took place on 04/08/2024, and the results were as follows:
Date (mm/dd/yyyy)

5 Votes For

0 Votes Against

_____ Abstention

(please list number of votes)

RECEIVED

APR 23 2024

Secretary of State
Division of Publications

Mayer & Marvin Siker
Presiding Officer of the Local Legislative Body

Embossed Seal:
(if applicable)

City of Humboldt, Tennessee

County or City

04/15/2024

Date (mm/dd/yyyy)

Exhibit B

Outstanding SRF Loans

Borrower	Humboldt - Humboldt Utilities									
Date	4/1/2024									
Loan Type	Loan #	Status	Disbursements	Available to Draw	% Principal Forgiveness	Edison Balance @4/01/24	MADS	See Footnote		
Sewer	SRF 11-277	Repayment	1,317,794.00	-	0%	652,893.00	76,284.00			
Sewer	SRF 18-411	Paid in full	540,000.00	-	0%	0.00	0.00	Paid in full	8/23/2023	
Sewer	CW7 19-432	Repayment	3,000,000.00	-	10%	2,442,439.00	148,572.00			
Sewer	SRF 19-433	Repayment	7,900,000.00	-	0%	7,054,960.00	434,712.00			
Sewer	SRF19-433-01	Repayment	4,607,602.00	-	0%	4,235,037.00	241,368.00			
Water	DW6 19-213	Repayment	1,000,000.00	-	20%	704,233.00	45,096.00			
Water	DW7 19-214	Repayment	1,000,000.00	-	20%	679,806.00	45,096.00			
Water	DWF 19-215	Repayment	4,000,000.00	-	0%	3,398,980.00	225,492.00			
Water	DWF 19-215-01	Construction	332,858.00	177,142.00	0%	332,858.00	26,749.00			
			23,698,254.00	177,142.00	-	19,501,206.00	1,243,369.00			
*MADS is an estimate until final expenses have been determined										
*The borrower pledges its unobligated state-shared taxes in an amount equal to MADS										

Exhibit C

Late Audit Submission Letters

(See attached)



April 26, 2024

To whom it may concern:

We serve as the external audit firm for the Humboldt Board of Public Utilities (soon to be converting to Humboldt Utilities Authority). As part of the diligence and procedures being performed by the Utility's management, there was a question raised about the late submission of their audit report. We can hopefully ease those concerns. The 2023 audit was performed in its normal timeline with a draft of the report completed by the end of September 2023 which has been pretty standard in the relationship. Due to some personnel issues at ATA, including the loss of one of our main utility technical review team during this time, there were significant delays in the technical review process as the audit remained in our technical review process pool for approximately five weeks. We have since remedied the issue by expanding the department's personnel by 75% (Went from four full time to seven full time reviewers). We have seen significant progress from November 2023 to now (April 2024) in that the backlog of audits to review went from a six week turnaround to one week as of today.

In our opinion and experience, we do not expect any issue in timing related to the Humboldt Utilities' audit submission timeline and we will make every effort to issue the audit by 10/31 to match up with TVA Regulatory deadlines, and have very little to no concerns about the 12/31 submission deadline to the Comptroller's office going forward. 2023 was a perfect storm of issues and we look forward to a better year in 2024.

Thanks,

ATA, PLLC

Matt Wood, Signing Partner

Exhibit D

Debt Service Coverage

(See attached)

37745858.1

**HUMBOLDT UTILITIES AUTHORITY
DEBT SERVICE COVERAGE AND FINANCIAL PROJECTIONS
WATER AND SEWER**

	AUDITED			FORECAST			
	2021	2022	2023	2024	2025	2026	2027
Operating Revenue	3,320,907	6,471,461	7,799,312	6,769,963	7,050,147	7,261,651	7,515,809
Operating Expenses	2,346,976	2,748,749	3,626,915	3,704,879	4,290,261	4,650,500	5,150,500
Depreciation	663,458	665,169	1,298,791	1,431,757	1,475,000	1,485,000	1,490,000
Operating Income	310,473	3,057,543	2,873,606	1,633,327	1,284,886	1,126,151	875,309
Non Operating Income	50,475	51,599	63,537	172,232	150,000	150,000	150,000
Non Operating Expenses	(188,693)	(201,902)	(222,133)	(209,169)	(210,529)	(212,500)	(214,500)
Income before Contributions and Transfers	172,255	2,907,240	2,715,010	1,596,390	1,224,357	1,063,651	810,809
Capital Contributions / Grants	3,482,455	3,204,179	161,327	14,727	186,000	18,000	18,000
Transfers Out - Tax Equivalents	(45,629)	(59,403)	(49,447)	(49,000)	(50,000)	(52,000)	(54,000)
Change in Net Position	3,609,081	6,052,016	2,826,890	1,562,117	1,360,357	1,029,651	774,809
Beginning Cash & Cash Equivalents	5,449,548	4,351,345	5,344,556	6,121,959	5,553,033	5,693,064	5,612,490
Change in Cash	(1,098,203)	993,211	777,403	(568,926)	140,031	(80,574)	(438,441)
Ending Cash & Cash Equivalents	4,351,345	5,344,556	6,121,959	5,553,033	5,693,064	5,612,490	5,174,049
Cash Flow							
Net Cash Provided (Used) by							
Operating Activities	506,980	3,924,497	3,491,928	3,069,963	2,850,147	2,661,651	2,415,809
Capital & Related Financing Activities	(1,610,029)	(2,923,482)	(1,728,615)	(1,764,889)	(1,735,116)	(1,740,225)	(1,850,250)
Investing Activities	50,475	51,599	(936,463)	(1,825,000)	(925,000)	(950,000)	(950,000)
Non-Capital Financing Activities	(45,629)	(59,403)	(49,447)	(49,000)	(50,000)	(52,000)	(54,000)
Net Increase (Decrease) in Cash	(1,098,203)	993,211	777,403	(568,926)	140,031	(80,574)	(438,441)
Net Revenues	973,931	3,722,712	4,172,397	3,065,084	2,759,886	2,611,151	2,365,309
Debt Service							
Principal	1,199,073	1,226,217	1,210,228	1,148,473	1,140,694	1,150,978	1,161,322
Interest	233,571	227,583	208,792	198,637	186,661	174,552	162,396
Total Debt Service	1,432,644	1,453,800	1,419,020	1,347,110	1,327,355	1,325,530	1,323,718
Debt Service Coverage Ratio	0.68	2.56	2.94	2.28	2.08	1.97	1.79

HUMBOLDT UTILITIES AUTHORITY
ASSIGNMENT, ASSUMPTION, AND TERMINATION AGREEMENT

This is an Assignment, Assumption, and Termination Agreement (this "Agreement") by and among the City of Humboldt (the "City"), Humboldt Utilities Authority ("HUA"), the Tennessee Department of Environment and Conservation (the "Department") and the Tennessee Local Development Authority (the "Authority").

WHEREAS, the City borrowed funds from the Wastewater Revolving Loan Fund created by the Tennessee Wastewater Facilities Act of 1987, as amended, which loan is evidenced by a loan agreement, SRF 11-277, (the "Original Agreement A") in the original principal amount of one million, three hundred twenty thousand dollars (\$1,320,000) entered into on or about 3/16/2011, by and among the City, the Department, and the Authority and the outstanding balance of which is referred to as the "Outstanding Indebtedness A" (See Exhibit A, new loan agreement); and

WHEREAS, the City borrowed funds from the Wastewater Revolving Loan Fund created by the Tennessee Wastewater Facilities Act of 1987, as amended, which loan is evidenced by a loan agreement, CW7 19-432, (the "Original Agreement B") in the original principal amount of three million dollars (\$3,000,000) and principal forgiveness in the amount of ten percent (10%) entered into on or about 2/08/2019 by and among the City, the Department, and the Authority and the outstanding balance of which is referred to as the "Outstanding Indebtedness B" (See Exhibit B, new loan agreement); and

WHEREAS, the City borrowed funds from the Wastewater Revolving Loan Fund created by the Tennessee Wastewater Facilities Act of 1987, as amended, which loan is evidenced by a loan agreement, SRF 19-433, (the "Original Agreement C") in the original principal amount of seven million, nine hundred thousand dollars (\$7,900,000) entered into on or about 2/08/2019, by and among the City, the Department, and the Authority and the outstanding balance of which is referred to as the "Outstanding Indebtedness C" (See Exhibit C, new loan agreement); and

WHEREAS, the City borrowed funds from the Wastewater Revolving Loan Fund created by the Tennessee Wastewater Facilities Act of 1987, as amended, which loan is evidenced by a loan agreement, SRF 19-433-01, (the "Original Agreement D") in the original principal amount of four million eight hundred thousand dollars (\$4,800,000) entered into on or about 3/06/2020, by and among the City, the Department, and the Authority and the outstanding balance of which is referred to as the "Outstanding Indebtedness D" (See Exhibit D, new loan agreement); and

WHEREAS, the City borrowed funds from the Water Revolving Loan Fund created by the Drinking Water Revolving Loan Fund Act of 1997, as amended, which loan is evidenced by a loan agreement, DW6 19-213, (the "Original Agreement E") in the original principal amount of one million dollars

(\$1,000,000) and principal forgiveness in the amount of twenty percent (20%) entered into on or about 2/08/2019, by and among the City, the Department, and the Authority and the outstanding balance of which is referred to as the "Outstanding Indebtedness E" (See Exhibit E, new loan agreement); and

WHEREAS, the City borrowed funds from the Water Revolving Loan Fund created by the Drinking Water Revolving Loan Fund Act of 1997, as amended, which loan is evidenced by a loan agreement, DW7 19-214, (the "Original Agreement F") in the original principal amount of one million dollars (\$1,000,000) and principal forgiveness in the amount of twenty percent (20%) entered into on or about 2/08/2019, by and among the City, the Department, and the Authority and the outstanding balance of which is referred to as the "Outstanding Indebtedness F" (See Exhibit F, new loan agreement); and

WHEREAS, the City borrowed funds from the Water Revolving Loan Fund created by the Drinking Water Revolving Loan Fund Act of 1997, as amended, which loan is evidenced by a loan agreement, DWF 19-215, (the "Original Agreement G") in the original principal amount of four million dollars (\$4,000,000) entered into on or about 2/08/2019, by and among the City, the Department, and the Authority and the outstanding balance of which is referred to as the "Outstanding Indebtedness G" (See Exhibit G, new loan agreement); and

WHEREAS, the City borrowed funds from the Water Revolving Loan Fund created by the Drinking Water Revolving Loan Fund Act of 1997, as amended, which loan is evidenced by a loan agreement, DWF 19-215-01, (the "Original Agreement H") in the original principal amount of five hundred ten thousand dollars (\$510,000) entered into on or about 3/06/2020, by and among the City, the Department, and the Authority and the outstanding balance of which is referred to as the "Outstanding Indebtedness H" (See Exhibit H, new loan agreement); and

WHEREAS, the City has determined to transfer its water and wastewater treatment and distribution and collection facilities to HUA (a municipal energy authority created pursuant to Chapter 41 of the Private Acts of 2023-2024 and the Municipal Energy Authority Act, Tennessee Code Annotated §§ 7-36-101, et seq.) subject to satisfaction of conditions precedent to closing; and

WHEREAS, HUA assumes each of the Outstanding Indebtedness A through H (collectively, the "Total Outstanding Indebtedness") and the Department and the Authority are willing to agree to such assumption on the conditions that the Original Agreements A through H be terminated and that HUA enter into new loan agreements (the "New Loan Agreements") with the Department and the Authority to replace the Original Agreements A through H;

NOW THEREFORE, in consideration of the previous, the parties agree as follows:

1. The City hereby assigns all of its rights, title and interest in the Total Outstanding Indebtedness to HUA.

2. HUA hereby assumes the Total Outstanding Indebtedness of the City and, as a condition thereof, HUA agrees that it will enter into the New Loan Agreements and that the terms and conditions of the New Loan Agreements shall be the same as those contained in the draft loan agreements attached here to as Exhibits A through H.
3. HUA agrees to be subject to the jurisdiction of the Tennessee Board of Utility Regulation created pursuant to Tennessee Code Annotated Title 7, Chapter 82.
4. The Department and the Authority hereby release the City from liability for the Total Outstanding Indebtedness and terminate the Original Agreements A through H.
5. This Agreement shall not be effective until such time as each of the following events shall have occurred:
 - i. This Agreement has been executed by all parties hereto.
 - ii. HUA has furnished evidence satisfactory to the Department and to the Authority that the City's water and wastewater systems have been transferred to HUA.
 - iii. HUA has complied with all terms and conditions of the New Loan Agreements and the New Loan Agreements have been executed by all parties thereto.
6. This Agreement may be executed in one or more counterparts, each of which shall be treated as an original.

CITY OF HUMBOLDT

By: Martin Sber

Its: Mayor

Date: 6-5-24

HUMBOLDT UTILITIES AUTHORITY

By: Alp Out

Its: PRESIDENT / CEO

Date: 6-5-24

TENNESSEE LOCAL DEVELOPMENT AUTHORITY

By: _____

Its: _____

Date: _____

DEPARTMENT OF ENVIRONMENT AND CONSERVATION

By: _____

Its: _____

Date: _____



June 11, 2024

Tennessee Local Development Authority
Cordell Hull Building
425 Fifth Avenue North
Nashville, TN 37243-3400
ATTN: Assistant Secretary

RE: Waiver of Opinion Letter - Humboldt Utilities Authority (Gibson County)
SRF Loans: CW7 2019-432, DW6 2019-213, DW7 2019-214, DWF 2019-215, DWF 2019-215-01
SRF 2011-277, SRF 2019-433, SRF 2019-433-01

Dear Sir/Madam:

The State Revolving Fund Loan Program has performed a financial sufficiency review analysis for the aforementioned entity and the outstanding loan listed above. The SRF program has determined that the Humboldt Utilities Authority has a sufficient rate structure to assume these loans.

Therefore, based on the financial sufficiency review by TDEC SRF Loan Program, the requirement for a separate opinion regarding sufficiency of rates, fees, and charges associated with the assumption and transfer of all outstanding loans has been waived.

The SRF Loan Program reserves the right to conduct new or additional financial evaluations at any time if, in the opinion of the SRF program, circumstances warrant such re-evaluation.

If you have any comments or questions, please feel free to contact me via email at vena.l.jones@tn.gov or via phone at (615) 898-9499.

Sincerely,

Vena L. Jones, Manager
SRF Loan Program

**HUMBOLDT UTILITIES AUTHORITY
SRF 2011-277
AUTHORIZING RESOLUTION**

RESOLUTION AUTHORIZING AND PROVIDING FOR THE FINANCING OF THE CONSTRUCTION OF A WASTEWATER FACILITIES PROJECT, INCLUDING AUTHORIZING THE EXECUTION OF APPLICATIONS, CONTRACTUAL AGREEMENTS, AND OTHER NECESSARY DOCUMENTS, AND MAKING CERTAIN REPRESENTATIONS, CERTIFICATIONS, AND PLEDGES OF CERTAIN REVENUE IN CONNECTION WITH SUCH FINANCING.

WHEREAS, the Humboldt Utilities Authority is a public and governmental body in Humboldt (Gibson County), Tennessee (the "Local Government"); and

WHEREAS, the Local Government has determined that it is necessary and desirable to undertake certain activities or tasks in connection with a wastewater facilities project, Department of Environment and Conservation Number SRF 2011-277 (the "Project"), in and for the Local Government; and

WHEREAS, Tennessee Code Annotated, Section 68-221-1001 et. seq., provide for the lending of funds in the wastewater facilities Revolving Loan Fund to Local Governments for the purpose of providing funds for project loans; and

WHEREAS, the local Government has determined that it is necessary and advisable to borrow funds for the Project pursuant to these sections.

NOW, THEREFORE, be it resolved as follows:

Section 1. Local Government hereby approves the creation of indebtedness on behalf of the Local Government in the principal amount of one million three and twenty thousand dollars (\$1,320,000) by the obtaining of a Project Loan.

Section 2. The execution and delivery of the application for a Project Loan in the principal amount of one million three and twenty thousand dollars (\$1,320,000), for the purpose of funding all or a portion of the total estimated cost of the Project, which is one million three and twenty thousand dollars (\$1,320,000), As of April 01, 2024, the current balance for the Project Loan is six hundred fifty two thousand and eight hundred ninety three dollars (\$652,893).

Section 3. The form, terms, and provisions of the agreement for the Project Loan among the Local Government, the Tennessee Department of Environment and Conservation and the Tennessee Local Development Authority (the "Loan Agreement"), as presented at this meeting, are hereby approved.

Section 4. The Local Government hereby agrees to honor and accept the method of financing as may be determined by the Authority pursuant to the Loan Agreement.

Section 5. The Local Government hereby agrees to make the monthly payments on the Project Loan in accordance with the Payment Schedule to be attached to the Loan Agreement.

Section 6. The Local Government hereby agrees to levy fees, rates or charges for services provided by the Project and/or to levy ad valorem taxes sufficient to pay the interest on and principal of the Project Loan in accordance with the Loan Agreement. The Local Government also agrees to levy fees, rates, or charges and/or ad valorem taxes sufficient to pay the cost of operation and maintenance of the water system of which the Project is a part, which cost shall include depreciation and all other debt service expense of the system.

Section 7. The Local Government assigns and pledges its Security Deposit to the State and consents to the withholding and application of Security Deposit in the event of failure by the Local Government to remit monthly payments in accordance with the terms of the Loan Agreement, as the Loan Agreement may be supplemented or amended from time to time.

Section 8. The Local Government hereby agrees that there are no local pledges of State-Shared Taxes other than those disclosed.

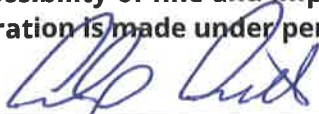
Section 9. The Local Government hereby agrees to obtain alternative methods of financing for all costs necessary for the completion of the Project which are in excess of the combined financing provided by any agency of the United States Government and by the Tennessee Local Development Authority.

Section 10. The President/CEO of the Utilities Authority is authorized and directed to execute the Loan Agreement, and any amendments or supplements to the Loan Agreement, in the name and behalf of the Local Government; to deliver such documents to the other parties to such documents, such execution and delivery to be conclusive proof of the approval of the Local Government of such documents; and to take such further action and to execute and deliver such further instruments or documents as such officer may consider necessary or advisable in connection with the Loan Agreement. Provided, however, this resolution shall not be deemed to grant authority to the named officer to approve any increase in the amount of the Project Loan.

Section 11. All orders, resolutions, or ordinances in conflict with this resolution are and the same are repealed insofar as such conflict exists. This resolution shall become effective immediately upon its passage.

Duly passed and approved this 29th day of May 2024.

I certify under penalty of law that this document and all attachments were prepared by me, or under my direction or supervision. The submitted information is to the best of my knowledge and belief true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment. As specified in Tenn. Code Ann. § 39-16-702(a)(4), this declaration is made under penalty of perjury.



Alex Smith, President/CEO of Humboldt Utilities Authority

**REPRESENTATION OF
LOANS AND SECURITY DEPOSIT
HUMBOLDT UTILITIES AUTHORITY
SRF 2011-277**

As security for payments due under a State Revolving Fund (SRF) Loan Agreement, a local government pledges user fees and charges and further pledges such other additional available sources of revenues as are necessary to meet its obligations under a SRF Loan Agreement. Prior to the first disbursement on a loan, a local government is required to deposit with the TLDA an amount of funds equal to the maximum annual debt service (MADS) as additional security for such loan.

- a. Prior SRF loans which have been funded or approved to the City of Humboldt for which the Humboldt Utilities Authority will assume upon TLDA approval and will pledge its revenues are as follows:

Loan Type	Loan #	Base Loan*	Principal Forgiveness*	MADS**
SRF/Sewer	SRF 2011-277	\$1,317,794	\$0	\$76,284
SRF/Sewer	CW7 2019-432	\$2,700,000	\$300,000	\$148,572
SRF/Sewer	SRF 2019-433	\$7,900,000	\$0	\$434,712
SRF/Water	DW6 2019-213	\$800,000	\$200,000	\$45,096
SRF/Water	DW7 2019-214	\$800,000	\$200,000	\$45,096
SRF/Water	DWF 2019-215	\$4,000,000	\$0	\$225,492
SRF/Sewer	SRF 2019-433-01	\$4,607,602	\$0	\$241,368
SRF/Water	DWF 2019-215-01	\$510,000	\$0	\$26,749

*If applicable, the original approved amount is adjusted for decreases and approved increases

**MADS is an estimate until final expenses have been determined.

The total required security deposit(s) for previously approved SRF loan(s) is \$1,243,369.

- b. The local government is applying for the following SRF loan(s):

Loan Type	Loan #	Anticipated Interest Rate	Base Loan	Principal Forgiveness	Anticipated MADS
SRF/Sewer					

The total anticipated security deposit(s) for the proposed loan(s) is \$0.

- c. The total MADS (a+b) is \$1,243,369.

The Local government hereby represents the information presented above is accurate and understands that funding for the loan request(s) presented is contingent upon approval by the TLDA.

Duly signed by an authorized representative of the Local Government on this 29th day of May 2024.

This is the Comptroller's certificate as required by TCA 4-31-108.

LOCAL GOVERNMENT

BY:

Alex Smith, President/CEO of UA

REQUIREMENT FOR REPORT ON DEBT OBLIGATION
(FORM CT-0253)
HUMBOLDT UTILITIES AUTHORITY
SRF 2011-277

Pursuant to Tenn. Code Ann. § 9-21-134, a Report on Debt Obligation (the "Report") must be prepared for all debt obligations issued or entered into by any public entity and filed with its governing body with a copy sent to the Office of State and Local Finance/Comptroller of the Treasury for the State of Tennessee. The purpose of the Report is to provide clear and concise information to members of the governing or legislative body that authorized and is responsible for the debt issued.

Public entities that fail to comply with the requirements of Tenn. Code Ann. § 9-21-134 are not permitted to enter into any further debt obligations until they have complied with the law. A State Revolving Fund (SRF) loan program applicant that is not in compliance with this law should file the Report as soon as possible and provide notification of filing to the SRF loan program so that it may proceed with the loan application. Instructions on how to file the Report are located in the "Debt" category for "Local Finance" on the website of the Tennessee Comptroller of the Treasury.

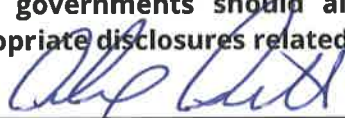
Municipal Securities Rulemaking Board (MSRB) – Required Disclosure

Local governments that issue municipal securities on or after February 27, 2019, should be aware that the Securities and Exchange Commission (SEC) adopted amendments to Rule 15c2-12 of the Securities Exchange Act that require reporting on material financial obligations that could impact an issuer's financial condition or security holder's rights. The amendments add two events to the list of events that must be included in any continuing disclosure agreement that is entered into after the compliance date:

- Incurrence of a financial obligation of the issuer or obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the issuer or obligated person, any of which affect security holders, if material; and
- Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of the financial obligation of the issuer or obligated person, any of which reflect financial difficulties.

To learn how to report these new disclosures please refer to the MSRB's Electronic Municipal Market Access EMMA® website (emma.msrb.org).

The applicant, Humboldt Utilities Authority, attests that it is in compliance with Tenn. Code Ann. § 9-21-134 for its debt obligations and understands that the Report is required to be filed once the SRF loan has been approved by the Tennessee Local Development Authority and the agreement has been executed by the borrower. The applicant further acknowledges that it may be responsible to perform continuing disclosure undertakings related to SEC Rule 15c2-12. Local governments should always consult bond counsel in order to obtain advice on appropriate disclosures related to this rule.



Alex Smith, President/CEO of Utilities Authority

This is the Comptroller's certificate as required by TCA 4-31-108.

5-29-24

Date

**HUMBOLDT UTILITIES AUTHORITY
CW7 2019-432
AUTHORIZING RESOLUTION**

RESOLUTION AUTHORIZING AND PROVIDING FOR THE FINANCING OF THE CONSTRUCTION OF A WASTEWATER FACILITIES PROJECT, INCLUDING AUTHORIZING THE EXECUTION OF APPLICATIONS, CONTRACTUAL AGREEMENTS, AND OTHER NECESSARY DOCUMENTS, AND MAKING CERTAIN REPRESENTATIONS, CERTIFICATIONS, AND PLEDGES OF CERTAIN REVENUE IN CONNECTION WITH SUCH FINANCING.

WHEREAS, the Humboldt Utilities Authority is a public and governmental body in Humboldt (Gibson County), Tennessee (the "Local Government"); and

WHEREAS, the Local Government has determined that it is necessary and desirable to undertake certain activities or tasks in connection with a wastewater facilities project, Department of Environment and Conservation Number CW7 2019-432 (the "Project"), in and for the Local Government; and

WHEREAS, Tennessee Code Annotated, Section 68-221-1001 et. seq., provide for the lending of funds in the wastewater facilities Revolving Loan Fund to Local Governments for the purpose of providing funds for project loans; and

WHEREAS, the local Government has determined that it is necessary and advisable to borrow funds for the Project pursuant to these sections.

NOW, THEREFORE, be it resolved as follows:

Section 1. Local Government hereby approves the creation of indebtedness on behalf of the Local Government in the principal amount of three million dollars (\$3,000,000) by the obtaining of a Project Loan.

Section 2. The execution and delivery of the application for a Project Loan in the principal amount of three million dollars (\$3,000,000) to include three hundred thousand dollars (\$300,000) in loan forgiveness, for the purpose of funding all or a portion of the total estimated cost of the Project, which is twenty two million dollars (\$22,000,000), As of April 01, 2024, the current balance for the Project Loan is two million four hundred and forty-two thousand and four hundred thirty-nine dollars (\$2,442,439).

Section 3. The form, terms, and provisions of the agreement for the Project Loan among the Local Government, the Tennessee Department of Environment and Conservation and the Tennessee Local Development Authority (the "Loan Agreement"), as presented at this meeting, are hereby approved.

Section 4. The Local Government hereby agrees to honor and accept the method of financing as may be determined by the Authority pursuant to the Loan Agreement.

Section 5. The Local Government hereby agrees to make the monthly payments on the Project Loan in accordance with the Payment Schedule to be attached to the Loan Agreement.

Section 6. The Local Government hereby agrees to levy fees, rates or charges for services provided by the Project and/or to levy ad valorem taxes sufficient to pay the interest on and principal of the Project Loan in accordance with the Loan Agreement. The Local Government also agrees to levy fees, rates, or charges and/or ad valorem taxes sufficient to pay the cost of operation and maintenance of the water system of which the Project is a part, which cost shall include depreciation and all other debt service expense of the system.

Section 7. The Local Government assigns and pledges its Security Deposit to the State and consents to the withholding and application of Security Deposit in the event of failure by the Local Government to remit monthly payments in accordance with the terms of the Loan Agreement, as the Loan Agreement may be supplemented or amended from time to time.

Section 8. The Local Government hereby agrees that there are no local pledges of State-Shared Taxes other than those disclosed.

Section 9. The Local Government hereby agrees to obtain alternative methods of financing for all costs necessary for the completion of the Project which are in excess of the combined financing provided by any agency of the United States Government and by the Tennessee Local Development Authority.

Section 10. The President/CEO of the Utilities Authority is authorized and directed to execute the Loan Agreement, and any amendments or supplements to the Loan Agreement, in the name and behalf of the Local Government; to deliver such documents to the other parties to such documents, such execution and delivery to be conclusive proof of the approval of the Local Government of such documents; and to take such further action and to execute and deliver such further instruments or documents as such officer may consider necessary or advisable in connection with the Loan Agreement. Provided, however, this resolution shall not be deemed to grant authority to the named officer to approve any increase in the amount of the Project Loan.

Section 11. All orders, resolutions, or ordinances in conflict with this resolution are and the same are repealed insofar as such conflict exists. This resolution shall become effective immediately upon its passage.

Duly passed and approved this 29th day of May, 2024.

I certify under penalty of law that this document and all attachments were prepared by me, or under my direction or supervision. The submitted information is to the best of my knowledge and belief true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment. As specified in Tenn. Code Ann. § 39-16-702(a)(4), this declaration is made under penalty of perjury.



Alex Smith, President/CEO of Humboldt Utilities
Authority

**REPRESENTATION OF
LOANS AND SECURITY DEPOSIT
HUMBOLDT UTILITIES AUTHORITY
CW7 2019-432**

As security for payments due under a State Revolving Fund (SRF) Loan Agreement, a local government pledges user fees and charges and further pledges such other additional available sources of revenues as are necessary to meet its obligations under a SRF Loan Agreement. Prior to the first disbursement on a loan, a local government is required to deposit with the TLDA an amount of funds equal to the maximum annual debt service (MADS) as additional security for such loan.

- a. Prior SRF loans which have been funded or approved to the City of Humboldt for which the Humboldt Utilities Authority will assume upon TLDA approval and will pledge its revenues are as follows:

Loan Type	Loan #	Base Loan*	Principal Forgiveness*	MADS**
SRF/Sewer	SRF 2011-277	\$1,317,794	\$0	\$76,284
SRF/Sewer	CW7 2019-432	\$2,700,000	\$300,000	\$148,572
SRF/Sewer	SRF 2019-433	\$7,900,000	\$0	\$434,712
SRF/Water	DW6 2019-213	\$800,000	\$200,000	\$45,096
SRF/Water	DW7 2019-214	\$800,000	\$200,000	\$45,096
SRF/Water	DWF 2019-215	\$4,000,000	\$0	\$225,492
SRF/Sewer	SRF 2019-433-01	\$4,607,602	\$0	\$241,368
SRF/Water	DWF 2019-215-01	\$510,000	\$0	\$26,749

*If applicable, the original approved amount is adjusted for decreases and approved increases

**MADS is an estimate until final expenses have been determined.

The total required security deposit(s) for previously approved SRF loan(s) is \$1,243,369.

- b. The local government is applying for the following SRF loan(s):

Loan Type	Loan #	Anticipated Interest Rate	Base Loan	Principal Forgiveness	Anticipated MADS
SRF/Sewer					

The total anticipated security deposit(s) for the proposed loan(s) is \$0.

- c. The total MADS (a+b) is \$1,243,369.

The Local government hereby represents the information presented above is accurate and understands that funding for the loan request(s) presented is contingent upon approval by the TLDA.

Duly signed by an authorized representative of the Local Government on this 29th day of May, 2024.

This is the Comptroller's certificate as required by TCA 4-31-108.

LOCAL GOVERNMENT

BY:



Alex Smith, President/CEO UA

REQUIREMENT FOR REPORT ON DEBT OBLIGATION
(FORM CT-0253)
HUMBOLDT UTILITIES AUTHORITY
CW7 2019-432

Pursuant to Tenn. Code Ann. § 9-21-134, a Report on Debt Obligation (the "Report") must be prepared for all debt obligations issued or entered into by any public entity and filed with its governing body with a copy sent to the Office of State and Local Finance/Comptroller of the Treasury for the State of Tennessee. The purpose of the Report is to provide clear and concise information to members of the governing or legislative body that authorized and is responsible for the debt issued.

Public entities that fail to comply with the requirements of Tenn. Code Ann. § 9-21-134 are not permitted to enter into any further debt obligations until they have complied with the law. A State Revolving Fund (SRF) loan program applicant that is not in compliance with this law should file the Report as soon as possible and provide notification of filing to the SRF loan program so that it may proceed with the loan application. Instructions on how to file the Report are located in the "Debt" category for "Local Finance" on the website of the Tennessee Comptroller of the Treasury.

Municipal Securities Rulemaking Board (MSRB) – Required Disclosure

Local governments that issue municipal securities on or after February 27, 2019, should be aware that the Securities and Exchange Commission (SEC) adopted amendments to Rule 15c2-12 of the Securities Exchange Act that require reporting on material financial obligations that could impact an issuer's financial condition or security holder's rights. The amendments add two events to the list of events that must be included in any continuing disclosure agreement that is entered into after the compliance date:

- Incurrence of a financial obligation of the issuer or obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the issuer or obligated person, any of which affect security holders, if material; and
- Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of the financial obligation of the issuer or obligated person, any of which reflect financial difficulties.

To learn how to report these new disclosures please refer to the MSRB's Electronic Municipal Market Access EMMA® website (emma.msrb.org).

The applicant, Humboldt Utilities Authority, attests that it is in compliance with Tenn. Code Ann. § 9-21-134 for its debt obligations and understands that the Report is required to be filed once the SRF loan has been approved by the Tennessee Local Development Authority and the agreement has been executed by the borrower. The applicant further acknowledges that it may be responsible to perform continuing disclosure undertakings related to SEC Rule 15c2-12. Local governments should always consult bond counsel in order to obtain advice on appropriate disclosures related to this rule.



Alex Smith, President/CEO of Utilities Authority

5-29-24

Date

This is the Comptroller's certificate as required by TCA 4-31-108.

HUMBOLDT UTILITIES AUTHORITY
SRF 2019-433
AUTHORIZING RESOLUTION

RESOLUTION AUTHORIZING AND PROVIDING FOR THE FINANCING OF THE CONSTRUCTION OF A WASTEWATER FACILITIES PROJECT, INCLUDING AUTHORIZING THE EXECUTION OF APPLICATIONS, CONTRACTUAL AGREEMENTS, AND OTHER NECESSARY DOCUMENTS, AND MAKING CERTAIN REPRESENTATIONS, CERTIFICATIONS, AND PLEDGES OF CERTAIN REVENUE IN CONNECTION WITH SUCH FINANCING.

WHEREAS, the Humboldt Utilities Authority is a public and governmental body in Humboldt (Gibson County), Tennessee (the "Local Government"); and

WHEREAS, the Local Government has determined that it is necessary and desirable to undertake certain activities or tasks in connection with a wastewater facilities project, Department of Environment and Conservation Number SRF 2019-433 (the "Project"), in and for the Local Government; and

WHEREAS, Tennessee Code Annotated, Section 68-221-1001 et. seq., provide for the lending of funds in the wastewater facilities Revolving Loan Fund to Local Governments for the purpose of providing funds for project loans; and

WHEREAS, the local Government has determined that it is necessary and advisable to borrow funds for the Project pursuant to these sections.

NOW, THEREFORE, be it resolved as follows:

Section 1. Local Government hereby approves the creation of indebtedness on behalf of the Local Government in the principal amount of seven million nine hundred thousand dollars (\$7,900,000) by the obtaining of a Project Loan.

Section 2. The execution and delivery of the application for a Project Loan in the principal amount of seven million nine hundred thousand dollars (\$7,900,000), for the purpose of funding all or a portion of the total estimated cost of the Project, which is twenty two million dollars (\$22,000,000), As of April 01, 2024, the current balance for the Project Loan is seven million fifty four thousand and nine hundred sixty dollars (\$7,054,960).

Section 3. The form, terms, and provisions of the agreement for the Project Loan among the Local Government, the Tennessee Department of Environment and Conservation and the Tennessee Local Development Authority (the "Loan Agreement"), as presented at this meeting, are hereby approved.

Section 4. The Local Government hereby agrees to honor and accept the method of financing as may be determined by the Authority pursuant to the Loan Agreement.

Section 5. The Local Government hereby agrees to make the monthly payments on the Project Loan in accordance with the Payment Schedule to be attached to the Loan Agreement.

Section 6. The Local Government hereby agrees to levy fees, rates or charges for services provided by the Project and/or to levy ad valorem taxes sufficient to pay the interest on and principal of the Project Loan in accordance with the Loan Agreement. The Local Government also agrees to levy fees, rates, or charges and/or ad valorem taxes sufficient to pay the cost of operation and maintenance of the water system of which the Project is a part, which cost shall include depreciation and all other debt service expense of the system.

Section 7. The Local Government assigns and pledges its Security Deposit to the State and consents to the withholding and application of Security Deposit in the event of failure by the Local Government to remit monthly payments in accordance with the terms of the Loan Agreement, as the Loan Agreement may be supplemented or amended from time to time.

Section 8. The Local Government hereby agrees that there are no local pledges of State-Shared Taxes other than those disclosed.

Section 9. The Local Government hereby agrees to obtain alternative methods of financing for all costs necessary for the completion of the Project which are in excess of the combined financing provided by any agency of the United States Government and by the Tennessee Local Development Authority.

Section 10. The President/CEO of the Utilities Authority is authorized and directed to execute the Loan Agreement, and any amendments or supplements to the Loan Agreement, in the name and behalf of the Local Government; to deliver such documents to the other parties to such documents, such execution and delivery to be conclusive proof of the approval of the Local Government of such documents; and to take such further action and to execute and deliver such further instruments or documents as such officer may consider necessary or advisable in connection with the Loan Agreement. Provided, however, this resolution shall not be deemed to grant authority to the named officer to approve any increase in the amount of the Project Loan.

Section 11. All orders, resolutions, or ordinances in conflict with this resolution are and the same are repealed insofar as such conflict exists. This resolution shall become effective immediately upon its passage.

Duly passed and approved this 29th day of May, 2024.

I certify under penalty of law that this document and all attachments were prepared by me, or under my direction or supervision. The submitted information is to the best of my knowledge and belief true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment. As specified in Tenn. Code Ann. § 39-16-702(a)(4), this declaration is made under penalty of perjury.



Alex Smith, President/CEO of Humboldt Utilities Authority

**REPRESENTATION OF
LOANS AND SECURITY DEPOSIT
HUMBOLDT UTILITIES AUTHORITY
SRF 2019-433**

As security for payments due under a State Revolving Fund (SRF) Loan Agreement, a local government pledges user fees and charges and further pledges such other additional available sources of revenues as are necessary to meet its obligations under a SRF Loan Agreement. Prior to the first disbursement on a loan, a local government is required to deposit with the TLDA an amount of funds equal to the maximum annual debt service (MADS) as additional security for such loan.

- a. Prior SRF loans which have been funded or approved to the City of Humboldt for which the Humboldt Utilities Authority will assume upon TLDA approval and will pledge its revenues are as follows:

Loan Type	Loan #	Base Loan*	Principal Forgiveness*	MADS**
SRF/Sewer	SRF 2011-277	\$1,317,794	\$0	\$76,284
SRF/Sewer	CW7 2019-432	\$2,700,000	\$300,000	\$148,572
SRF/Sewer	SRF 2019-433	\$7,900,000	\$0	\$434,712
SRF/Water	DW6 2019-213	\$800,000	\$200,000	\$45,096
SRF/Water	DW7 2019-214	\$800,000	\$200,000	\$45,096
SRF/Water	DWF 2019-215	\$4,000,000	\$0	\$225,492
SRF/Sewer	SRF 2019-433-01	\$4,607,602	\$0	\$241,368
SRF/Water	DWF 2019-215-01	\$510,000	\$0	\$26,749

*If applicable, the original approved amount is adjusted for decreases and approved increases

**MADS is an estimate until final expenses have been determined.

The total required security deposit(s) for previously approved SRF loan(s) is \$1,243,369.

- b. The local government is applying for the following SRF loan(s):

Loan Type	Loan #	Anticipated Interest Rate	Base Loan	Principal Forgiveness	Anticipated MADS
SRF/Sewer					

The total anticipated security deposit(s) for the proposed loan(s) is \$0.

- c. The total MADS (a+b) is \$1,243,369.

The Local government hereby represents the information presented above is accurate and understands that funding for the loan request(s) presented is contingent upon approval by the TLDA.

Duly signed by an authorized representative of the Local Government on this 29th day of May, 2024

This is the Comptroller's certificate as required by TCA 4-31-108.

LOCAL GOVERNMENT

BY:

Alex Smith, President/CEO of UA

REQUIREMENT FOR REPORT ON DEBT OBLIGATION
(FORM CT-0253)
HUMBOLDT UTILITIES AUTHORITY
SRF 2019-433

Pursuant to Tenn. Code Ann. § 9-21-134, a Report on Debt Obligation (the "Report") must be prepared for all debt obligations issued or entered into by any public entity and filed with its governing body with a copy sent to the Office of State and Local Finance/Comptroller of the Treasury for the State of Tennessee. The purpose of the Report is to provide clear and concise information to members of the governing or legislative body that authorized and is responsible for the debt issued.

Public entities that fail to comply with the requirements of Tenn. Code Ann. § 9-21-134 are not permitted to enter into any further debt obligations until they have complied with the law. A State Revolving Fund (SRF) loan program applicant that is not in compliance with this law should file the Report as soon as possible and provide notification of filing to the SRF loan program so that it may proceed with the loan application. Instructions on how to file the Report are located in the "Debt" category for "Local Finance" on the website of the Tennessee Comptroller of the Treasury.

Municipal Securities Rulemaking Board (MSRB) – Required Disclosure

Local governments that issue municipal securities on or after February 27, 2019, should be aware that the Securities and Exchange Commission (SEC) adopted amendments to Rule 15c2-12 of the Securities Exchange Act that require reporting on material financial obligations that could impact an issuer's financial condition or security holder's rights. The amendments add two events to the list of events that must be included in any continuing disclosure agreement that is entered into after the compliance date:

- Incurrence of a financial obligation of the issuer or obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the issuer or obligated person, any of which affect security holders, if material; and
- Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of the financial obligation of the issuer or obligated person, any of which reflect financial difficulties.

To learn how to report these new disclosures please refer to the MSRB's Electronic Municipal Market Access EMMA® website (emma.msrb.org).

The applicant, Humboldt Utilities Authority, attests that it is in compliance with Tenn. Code Ann. § 9-21-134 for its debt obligations and understands that the Report is required to be filed once the SRF loan has been approved by the Tennessee Local Development Authority and the agreement has been executed by the borrower. The applicant further acknowledges that it may be responsible to perform continuing disclosure undertakings related to SEC Rule 15c2-12. Local governments should always consult bond counsel in order to obtain advice on appropriate disclosures related to this rule.



Alex Smith, President/CEO of Utilities Authority

5-29-24

Date

This is the Comptroller's certificate as required by TCA 4-31-108.

**HUMBOLDT UTILITIES AUTHORITY
SRF 2019-433-01
AUTHORIZING RESOLUTION**

RESOLUTION AUTHORIZING AND PROVIDING FOR THE FINANCING OF THE CONSTRUCTION OF A WASTEWATER FACILITIES PROJECT, INCLUDING AUTHORIZING THE EXECUTION OF APPLICATIONS, CONTRACTUAL AGREEMENTS, AND OTHER NECESSARY DOCUMENTS, AND MAKING CERTAIN REPRESENTATIONS, CERTIFICATIONS, AND PLEDGES OF CERTAIN REVENUE IN CONNECTION WITH SUCH FINANCING.

WHEREAS, the Humboldt Utilities Authority is a public and governmental body in Humboldt (Gibson County), Tennessee (the "Local Government"); and

WHEREAS, the Local Government has determined that it is necessary and desirable to undertake certain activities or tasks in connection with a wastewater facilities project, Department of Environment and Conservation Number SRF 2019-433-01 (the "Project"), in and for the Local Government; and

WHEREAS, Tennessee Code Annotated, Section 68-221-1001 et. seq., provide for the lending of funds in the wastewater facilities Revolving Loan Fund to Local Governments for the purpose of providing funds for project loans; and

WHEREAS, the local Government has determined that it is necessary and advisable to borrow funds for the Project pursuant to these sections.

NOW, THEREFORE, be it resolved as follows:

Section 1. Local Government hereby approves the creation of indebtedness on behalf of the Local Government in the principal amount of four million eight hundred thousand dollars (\$4,800,000) by the obtaining of a Project Loan.

Section 2. The execution and delivery of the application for a Project Loan in the principal amount of four million eight hundred thousand dollars (\$4,800,000), for the purpose of funding all or a portion of the total estimated cost of the Project, which is twenty six million eight hundred thousand dollars (\$26,800,000), As of April 01, 2024, the current balance for the Project Loan is four million two hundred thirty five thousand and thirty seven dollars (\$4,235,037).

Section 3. The form, terms, and provisions of the agreement for the Project Loan among the Local Government, the Tennessee Department of Environment and Conservation and the Tennessee Local Development Authority (the "Loan Agreement"), as presented at this meeting, are hereby approved.

Section 4. The Local Government hereby agrees to honor and accept the method of financing as may be determined by the Authority pursuant to the Loan Agreement.

Section 5. The Local Government hereby agrees to make the monthly payments on the Project Loan in accordance with the Payment Schedule to be attached to the Loan Agreement.

Section 6. The Local Government hereby agrees to levy fees, rates or charges for services provided by the Project and/or to levy ad valorem taxes sufficient to pay the interest on and principal of the Project Loan in accordance with the Loan Agreement. The Local Government also agrees to levy fees, rates, or charges and/or ad valorem taxes sufficient to pay the cost of operation and maintenance of the water system of which the Project is a part, which cost shall include depreciation and all other debt service expense of the system.

Section 7. The Local Government assigns and pledges its Security Deposit to the State and consents to the withholding and application of Security Deposit in the event of failure by the Local Government to remit monthly payments in accordance with the terms of the Loan Agreement, as the Loan Agreement may be supplemented or amended from time to time.

Section 8. The Local Government hereby agrees that there are no local pledges of State-Shared Taxes other than those disclosed.

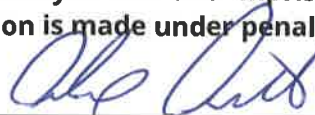
Section 9. The Local Government hereby agrees to obtain alternative methods of financing for all costs necessary for the completion of the Project which are in excess of the combined financing provided by any agency of the United States Government and by the Tennessee Local Development Authority.

Section 10. The President/CEO of the Utilities Authority is authorized and directed to execute the Loan Agreement, and any amendments or supplements to the Loan Agreement, in the name and behalf of the Local Government; to deliver such documents to the other parties to such documents, such execution and delivery to be conclusive proof of the approval of the Local Government of such documents; and to take such further action and to execute and deliver such further instruments or documents as such officer may consider necessary or advisable in connection with the Loan Agreement. Provided, however, this resolution shall not be deemed to grant authority to the named officer to approve any increase in the amount of the Project Loan.

Section 11. All orders, resolutions, or ordinances in conflict with this resolution are and the same are repealed insofar as such conflict exists. This resolution shall become effective immediately upon its passage.

Duly passed and approved this 29th day of May 2024.

I certify under penalty of law that this document and all attachments were prepared by me, or under my direction or supervision. The submitted information is to the best of my knowledge and belief true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment. As specified in Tenn. Code Ann. § 39-16-702(a)(4), this declaration is made under penalty of perjury.



Alex Smith, President/CEO of Humboldt Utilities
Authority

**REPRESENTATION OF
LOANS AND SECURITY DEPOSIT
HUMBOLDT UTILITIES AUTHORITY
SRF 2019-433-01**

As security for payments due under a State Revolving Fund (SRF) Loan Agreement, a local government pledges user fees and charges and further pledges such other additional available sources of revenues as are necessary to meet its obligations under a SRF Loan Agreement. Prior to the first disbursement on a loan, a local government is required to deposit with the TLDA an amount of funds equal to the maximum annual debt service (MADS) as additional security for such loan.

- a. Prior SRF loans which have been funded or approved to the City of Humboldt for which the Humboldt Utilities Authority will assume upon TLDA approval and will pledge its revenues are as follows:

Loan Type	Loan #	Base Loan*	Principal Forgiveness*	MADS**
SRF/Sewer	SRF 2011-277	\$1,317,794	\$0	\$76,284
SRF/Sewer	CW7 2019-432	\$2,700,000	\$300,000	\$148,572
SRF/Sewer	SRF 2019-433	\$7,900,000	\$0	\$434,712
SRF/Water	DW6 2019-213	\$800,000	\$200,000	\$45,096
SRF/Water	DW7 2019-214	\$800,000	\$200,000	\$45,096
SRF/Water	DWF 2019-215	\$4,000,000	\$0	\$225,492
SRF/Sewer	SRF 2019-433-01	\$4,607,602	\$0	\$241,368
SRF/Water	DWF 2019-215-01	\$510,000	\$0	\$26,749

*If applicable, the original approved amount is adjusted for decreases and approved increases

**MADS is an estimate until final expenses have been determined.

The total required security deposit(s) for previously approved SRF loan(s) is \$1,243,369.

- b. The local government is applying for the following SRF loan(s):

Loan Type	Loan #	Anticipated Interest Rate	Base Loan	Principal Forgiveness	Anticipated MADS
SRF/Sewer					

The total anticipated security deposit(s) for the proposed loan(s) is \$0.

- c. The total MADS (a+b) is \$1,243,369.

The Local government hereby represents the information presented above is accurate and understands that funding for the loan request(s) presented is contingent upon approval by the TLDA.

Duly signed by an authorized representative of the Local Government on this 29th day of May, 2024.

This is the Comptroller's certificate as required by TCA 4-31-108.

LOCAL GOVERNMENT

BY:



Alex Smith, President/CEO of Utilities Authority

REQUIREMENT FOR REPORT ON DEBT OBLIGATION
(FORM CT-0253)
HUMBOLDT UTILITIES AUTHORITY
SRF 2019-433-01

Pursuant to Tenn. Code Ann. § 9-21-134, a Report on Debt Obligation (the "Report") must be prepared for all debt obligations issued or entered into by any public entity and filed with its governing body with a copy sent to the Office of State and Local Finance/Comptroller of the Treasury for the State of Tennessee. The purpose of the Report is to provide clear and concise information to members of the governing or legislative body that authorized and is responsible for the debt issued.

Public entities that fail to comply with the requirements of Tenn. Code Ann. § 9-21-134 are not permitted to enter into any further debt obligations until they have complied with the law. A State Revolving Fund (SRF) loan program applicant that is not in compliance with this law should file the Report as soon as possible and provide notification of filing to the SRF loan program so that it may proceed with the loan application. Instructions on how to file the Report are located in the "Debt" category for "Local Finance" on the website of the Tennessee Comptroller of the Treasury.

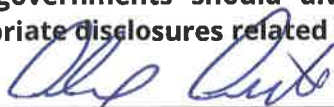
Municipal Securities Rulemaking Board (MSRB) – Required Disclosure

Local governments that issue municipal securities on or after February 27, 2019, should be aware that the Securities and Exchange Commission (SEC) adopted amendments to Rule 15c2-12 of the Securities Exchange Act that require reporting on material financial obligations that could impact an issuer's financial condition or security holder's rights. The amendments add two events to the list of events that must be included in any continuing disclosure agreement that is entered into after the compliance date:

- Incurrence of a financial obligation of the issuer or obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the issuer or obligated person, any of which affect security holders, if material; and
- Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of the financial obligation of the issuer or obligated person, any of which reflect financial difficulties.

To learn how to report these new disclosures please refer to the MSRB's Electronic Municipal Market Access EMMA® website (emma.msrb.org).

The applicant, Humboldt Utilities Authority, attests that it is in compliance with Tenn. Code Ann. § 9-21-134 for its debt obligations and understands that the Report is required to be filed once the SRF loan has been approved by the Tennessee Local Development Authority and the agreement has been executed by the borrower. The applicant further acknowledges that it may be responsible to perform continuing disclosure undertakings related to SEC Rule 15c2-12. Local governments should always consult bond counsel in order to obtain advice on appropriate disclosures related to this rule.



5-29-24

Alex Smith, President/CEO of Utilities Authority

Date

This is the Comptroller's certificate as required by TCA 4-31-108.

**HUMBOLDT UTILITIES AUTHORITY
DW6 2019-213
AUTHORIZING RESOLUTION**

RESOLUTION AUTHORIZING AND PROVIDING FOR THE FINANCING OF THE CONSTRUCTION OF A WATER FACILITIES PROJECT, INCLUDING AUTHORIZING THE EXECUTION OF APPLICATIONS, CONTRACTUAL AGREEMENTS, AND OTHER NECESSARY DOCUMENTS, AND MAKING CERTAIN REPRESENTATIONS, CERTIFICATIONS, AND PLEDGES OF CERTAIN REVENUE IN CONNECTION WITH SUCH FINANCING.

WHEREAS, the Humboldt Utilities Authority is a public and governmental body in Humboldt (Gibson County), Tennessee (the "Local Government"); and

WHEREAS, the Local Government has determined that it is necessary and desirable to undertake certain activities or tasks in connection with a water facilities project, Department of Environment and Conservation Number DW6 2019-213 (the "Project"), in and for the Local Government; and

WHEREAS, Drinking Water Revolving Loan Fund Act of 1997, Tennessee Code Annotated, Sections 68-221-1201 et seq., provide for the lending of funds in the water facilities Revolving Loan Fund to Local Governments for the purpose of providing funds for Project Loans; and

WHEREAS, the Local Government has determined that it is necessary and advisable to borrow funds for the Project pursuant to these sections.

NOW, THEREFORE, be it resolved as follows:

Section 1. Local Government hereby approves the creation of indebtedness on behalf of the Local Government in the principal amount of one million dollars (\$1,000,000) by the obtaining of a Project Loan.

Section 2. The execution and delivery of the application for a Project Loan in the principal amount of one million dollars (\$1,000,000) to include two hundred thousand dollars (\$200,000) in loan forgiveness, for the purpose of funding all or a portion of the total estimated cost of the Project, which is six million dollars (\$6,000,000), As of April 01, 2024, the current balance for the Project Loan is seven hundred four thousand and two hundred thirty three dollars (\$704,233).

Section 3. The form, terms, and provisions of the agreement for the Project Loan among the Local Government, the Tennessee Department of Environment and Conservation and the Tennessee Local Development Authority (the "Loan Agreement"), as presented at this meeting, are hereby approved.

Section 4. The Local Government hereby agrees to honor and accept the method of financing as may be determined by the Authority pursuant to the Loan Agreement.

Section 5. The Local Government hereby agrees to make the monthly payments on the Project Loan in accordance with the Payment Schedule to be attached to the Loan Agreement.

Section 6. The Local Government hereby agrees to levy fees, rates or charges for services provided by the Project and/or to levy ad valorem taxes sufficient to pay the interest on and principal of the Project Loan in accordance with the Loan Agreement. The Local Government also agrees to levy fees, rates, or charges and/or ad valorem taxes sufficient to pay the cost of operation and maintenance of the water system of which the Project is a part, which cost shall include depreciation and all other debt service expense of the system.

Section 7. The Local Government assigns and pledges its Security Deposit to the State and consents to the withholding and application of Security Deposit in the event of failure by the Local Government to remit monthly payments in accordance with the terms of the Loan Agreement, as the Loan Agreement may be supplemented or amended from time to time.

Section 8. The Local Government hereby agrees that there are no local pledges of State-Shared Taxes other than those disclosed.

Section 9. The Local Government hereby agrees to obtain alternative methods of financing for all costs necessary for the completion of the Project which are in excess of the combined financing provided by any agency of the United States Government and by the Tennessee Local Development Authority.

Section 10. The President/CEO of the Utilities Authority of the Local Government is authorized and directed to execute the Loan Agreement, and any amendments or supplements to the Loan Agreement, in the name and behalf of the Local Government; to deliver such documents to the other parties to such documents, such execution and delivery to be conclusive proof of the approval of the Local Government of such documents; and to take such further action and to execute and deliver such further instruments or documents as such officer may consider necessary or advisable in connection with the Loan Agreement. Provided, however, this resolution shall not be deemed to grant authority to the named officer to approve any increase in the amount of the Project Loan.

Section 11. All orders, resolutions, or ordinances in conflict with this resolution are and the same are repealed insofar as such conflict exists. This resolution shall become effective immediately upon its passage.

Duly passed and approved this 29th day of May, 2024.

I certify under penalty of law that this document and all attachments were prepared by me, or under my direction or supervision. The submitted information is to the best of my knowledge and belief true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment. As specified in Tenn. Code Ann. § 39-16-702(a)(4), this declaration is made under penalty of perjury.



Alex Smith, President/CEO of Humboldt Utilities
Authority

**REPRESENTATION OF
LOANS AND SECURITY DEPOSIT
HUMBOLDT UTILITIES AUTHORITY
DW6 2019-213**

As security for payments due under a State Revolving Fund (SRF) Loan Agreement, a local government pledges user fees and charges and further pledges such other additional available sources of revenues as are necessary to meet its obligations under a SRF Loan Agreement. Prior to the first disbursement on a loan, a local government is required to deposit with the TLDA an amount of funds equal to the maximum annual debt service (MADS) as additional security for such loan.

- a. Prior SRF loans which have been funded or approved to the City of Humboldt for which the Humboldt Utilities Authority will assume upon TLDA approval and will pledge its revenues are as follows:

Loan Type	Loan #	Base Loan*	Principal Forgiveness*	MADS**
SRF/Sewer	SRF 2011-277	\$1,317,794	\$0	\$76,284
SRF/Sewer	CW7 2019-432	\$2,700,000	\$300,000	\$148,572
SRF/Sewer	SRF 2019-433	\$7,900,000	\$0	\$434,712
SRF/Water	DW6 2019-213	\$800,000	\$200,000	\$45,096
SRF/Water	DW7 2019-214	\$800,000	\$200,000	\$45,096
SRF/Water	DWF 2019-215	\$4,000,000	\$0	\$225,492
SRF/Sewer	SRF 2019-433-01	\$4,607,602	\$0	\$241,368
SRF/Water	DWF 2019-215-01	\$510,000	\$0	\$26,749

*If applicable, the original approved amount is adjusted for decreases and approved increases

**MADS is an estimate until final expenses have been determined.

The total required security deposit(s) for previously approved SRF loan(s) is \$1,243,369.

- b. The local government is applying for the following SRF loan(s):

Loan Type	Loan #	Anticipated Interest Rate	Base Loan	Principal Forgiveness	Anticipated MADS
SRF/Sewer					

The total anticipated security deposit(s) for the proposed loan(s) is \$0.

- c. The total MADS (a+b) is \$1,243,369.

The Local government hereby represents the information presented above is accurate and understands that funding for the loan request(s) presented is contingent upon approval by the TLDA.

Duly signed by an authorized representative of the Local Government on this 29th of May, 2024.

This is the Comptroller's certificate as required by TCA 4-31-108.

LOCAL GOVERNMENT

BY: _____



Alex Smith, President/CEO of UA

REQUIREMENT FOR REPORT ON DEBT OBLIGATION
(FORM CT-0253)
HUMBOLDT UTILITIES AUTHORITY
DW6 2019-213

Pursuant to Tenn. Code Ann. § 9-21-134, a Report on Debt Obligation (the "Report") must be prepared for all debt obligations issued or entered into by any public entity and filed with its governing body with a copy sent to the Office of State and Local Finance/Comptroller of the Treasury for the State of Tennessee. The purpose of the Report is to provide clear and concise information to members of the governing or legislative body that authorized and is responsible for the debt issued.

Public entities that fail to comply with the requirements of Tenn. Code Ann. § 9-21-134 are not permitted to enter into any further debt obligations until they have complied with the law. A State Revolving Fund (SRF) loan program applicant that is not in compliance with this law should file the Report as soon as possible and provide notification of filing to the SRF loan program so that it may proceed with the loan application. Instructions on how to file the Report are located in the "Debt" category for "Local Finance" on the website of the Tennessee Comptroller of the Treasury.

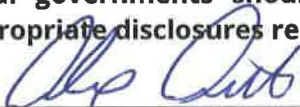
Municipal Securities Rulemaking Board (MSRB) – Required Disclosure

Local governments that issue municipal securities on or after February 27, 2019, should be aware that the Securities and Exchange Commission (SEC) adopted amendments to Rule 15c2-12 of the Securities Exchange Act that require reporting on material financial obligations that could impact an issuer's financial condition or security holder's rights. The amendments add two events to the list of events that must be included in any continuing disclosure agreement that is entered into after the compliance date:

- Incurrence of a financial obligation of the issuer or obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the issuer or obligated person, any of which affect security holders, if material; and
- Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of the financial obligation of the issuer or obligated person, any of which reflect financial difficulties.

To learn how to report these new disclosures please refer to the MSRB's Electronic Municipal Market Access EMMA® website (emma.msrb.org).

The applicant, Humboldt Utilities Authority, attests that it is in compliance with Tenn. Code Ann. § 9-21-134 for its debt obligations and understands that the Report is required to be filed once the SRF loan has been approved by the Tennessee Local Development Authority and the agreement has been executed by the borrower. The applicant further acknowledges that it may be responsible to perform continuing disclosure undertakings related to SEC Rule 15c2-12. Local governments should always consult bond counsel in order to obtain advice on appropriate disclosures related to this rule.



Alex Smith, President/CEO of Utilities Authority

5-29-24

Date

This is the Comptroller's certificate as required by TCA 4-31-108.

**HUMBOLDT UTILITIES AUTHORITY
DW7 2019-214
AUTHORIZING RESOLUTION**

RESOLUTION AUTHORIZING AND PROVIDING FOR THE FINANCING OF THE CONSTRUCTION OF A WATER FACILITIES PROJECT, INCLUDING AUTHORIZING THE EXECUTION OF APPLICATIONS, CONTRACTUAL AGREEMENTS, AND OTHER NECESSARY DOCUMENTS, AND MAKING CERTAIN REPRESENTATIONS, CERTIFICATIONS, AND PLEDGES OF CERTAIN REVENUE IN CONNECTION WITH SUCH FINANCING.

WHEREAS, the Humboldt Utilities Authority is a public and governmental body in Humboldt (Gibson County), Tennessee (the "Local Government"); and

WHEREAS, the Local Government has determined that it is necessary and desirable to undertake certain activities or tasks in connection with a water facilities project, Department of Environment and Conservation Number DW7 2019-214 (the "Project"), in and for the Local Government; and

WHEREAS, Drinking Water Revolving Loan Fund Act of 1997, Tennessee Code Annotated, Sections 68-221-1201 et seq., provide for the lending of funds in the water facilities Revolving Loan Fund to Local Governments for the purpose of providing funds for Project Loans; and

WHEREAS, the Local Government has determined that it is necessary and advisable to borrow funds for the Project pursuant to these sections.

NOW, THEREFORE, be it resolved as follows:

Section 1. Local Government hereby approves the creation of indebtedness on behalf of the Local Government in the principal amount of one million dollars (\$1,000,000) by the obtaining of a Project Loan.

Section 2. The execution and delivery of the application for a Project Loan in the principal amount of one million dollars (\$1,000,000) to include two hundred thousand dollars (\$200,000) in loan forgiveness, for the purpose of funding all or a portion of the total estimated cost of the Project, which is six million dollars (\$6,000,000), As of April 01, 2024, the current balance for the Project Loan is six hundred seventy nine thousand and eight hundred six dollars (\$679,806).

Section 3. The form, terms, and provisions of the agreement for the Project Loan among the Local Government, the Tennessee Department of Environment and Conservation and the Tennessee Local Development Authority (the "Loan Agreement"), as presented at this meeting, are hereby approved.

Section 4. The Local Government hereby agrees to honor and accept the method of financing as may be determined by the Authority pursuant to the Loan Agreement.

Section 5. The Local Government hereby agrees to make the monthly payments on the Project Loan in accordance with the Payment Schedule to be attached to the Loan Agreement.

Section 6. The Local Government hereby agrees to levy fees, rates or charges for services provided by the Project and/or to levy ad valorem taxes sufficient to pay the interest on and principal of the Project Loan in accordance with the Loan Agreement. The Local Government also agrees to levy fees, rates, or charges and/or ad valorem taxes sufficient to pay the cost of operation and maintenance of the water system of which the Project is a part, which cost shall include depreciation and all other debt service expense of the system.

Section 7. The Local Government assigns and pledges its Security Deposit to the State and consents to the withholding and application of Security Deposit in the event of failure by the Local Government to remit monthly payments in accordance with the terms of the Loan Agreement, as the Loan Agreement may be supplemented or amended from time to time.

Section 8. The Local Government hereby agrees that there are no local pledges of State-Shared Taxes other than those disclosed.

Section 9. The Local Government hereby agrees to obtain alternative methods of financing for all costs necessary for the completion of the Project which are in excess of the combined financing provided by any agency of the United States Government and by the Tennessee Local Development Authority.

Section 10. The President/CEO of the Utilities Authority of the Local Government is authorized and directed to execute the Loan Agreement, and any amendments or supplements to the Loan Agreement, in the name and behalf of the Local Government; to deliver such documents to the other parties to such documents, such execution and delivery to be conclusive proof of the approval of the Local Government of such documents; and to take such further action and to execute and deliver such further instruments or documents as such officer may consider necessary or advisable in connection with the Loan Agreement. Provided, however, this resolution shall not be deemed to grant authority to the named officer to approve any increase in the amount of the Project Loan.

Section 11. All orders, resolutions, or ordinances in conflict with this resolution are and the same are repealed insofar as such conflict exists. This resolution shall become effective immediately upon its passage.

Duly passed and approved this 29th day of May, 2024.

I certify under penalty of law that this document and all attachments were prepared by me, or under my direction or supervision. The submitted information is to the best of my knowledge and belief true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment. As specified in Tenn. Code Ann. § 39-16-702(a)(4), this declaration is made under penalty of perjury.



Alex Smith, President/CEO of Humboldt Utilities Authority

**REPRESENTATION OF
LOANS AND SECURITY DEPOSIT
HUMBOLDT UTILITIES AUTHORITY
DW7 2019-214**

As security for payments due under a State Revolving Fund (SRF) Loan Agreement, a local government pledges user fees and charges and further pledges such other additional available sources of revenues as are necessary to meet its obligations under a SRF Loan Agreement. Prior to the first disbursement on a loan, a local government is required to deposit with the TLDA an amount of funds equal to the maximum annual debt service (MADS) as additional security for such loan.

- a. Prior SRF loans which have been funded or approved to the City of Humboldt for which the Humboldt Utilities Authority will assume upon TLDA approval and will pledge its revenues are as follows:

Loan Type	Loan #	Base Loan*	Principal Forgiveness*	MADS**
SRF/Sewer	SRF 2011-277	\$1,317,794	\$0	\$76,284
SRF/Sewer	CW7 2019-432	\$2,700,000	\$300,000	\$148,572
SRF/Sewer	SRF 2019-433	\$7,900,000	\$0	\$434,712
SRF/Water	DW6 2019-213	\$800,000	\$200,000	\$45,096
SRF/Water	DW7 2019-214	\$800,000	\$200,000	\$45,096
SRF/Water	DWF 2019-215	\$4,000,000	\$0	\$225,492
SRF/Sewer	SRF 2019-433-01	\$4,607,602	\$0	\$241,368
SRF/Water	DWF 2019-215-01	\$510,000	\$0	\$26,749

*If applicable, the original approved amount is adjusted for decreases and approved increases

**MADS is an estimate until final expenses have been determined.

The total required security deposit(s) for previously approved SRF loan(s) is \$1,243,369.

- b. The local government is applying for the following SRF loan(s):

Loan Type	Loan #	Anticipated Interest Rate	Base Loan	Principal Forgiveness	Anticipated MADS
SRF/Sewer					

The total anticipated security deposit(s) for the proposed loan(s) is \$0.

- c. The total MADS (a+b) is \$1,243,369.

The Local government hereby represents the information presented above is accurate and understands that funding for the loan request(s) presented is contingent upon approval by the TLDA.

Duly signed by an authorized representative of the Local Government on this 29th day of May, 2024.

This is the Comptroller's certificate as required by TCA 4-31-108.

LOCAL GOVERNMENT

BY:



Alex Smith, President/CEO of UA

REQUIREMENT FOR REPORT ON DEBT OBLIGATION
(FORM CT-0253)
HUMBOLDT UTILITIES AUTHORITY
DW7 2019-214

Pursuant to Tenn. Code Ann. § 9-21-134, a Report on Debt Obligation (the "Report") must be prepared for all debt obligations issued or entered into by any public entity and filed with its governing body with a copy sent to the Office of State and Local Finance/Comptroller of the Treasury for the State of Tennessee. The purpose of the Report is to provide clear and concise information to members of the governing or legislative body that authorized and is responsible for the debt issued.

Public entities that fail to comply with the requirements of Tenn. Code Ann. § 9-21-134 are not permitted to enter into any further debt obligations until they have complied with the law. A State Revolving Fund (SRF) loan program applicant that is not in compliance with this law should file the Report as soon as possible and provide notification of filing to the SRF loan program so that it may proceed with the loan application. Instructions on how to file the Report are located in the "Debt" category for "Local Finance" on the website of the Tennessee Comptroller of the Treasury.

Municipal Securities Rulemaking Board (MSRB) – Required Disclosure

Local governments that issue municipal securities on or after February 27, 2019, should be aware that the Securities and Exchange Commission (SEC) adopted amendments to Rule 15c2-12 of the Securities Exchange Act that require reporting on material financial obligations that could impact an issuer's financial condition or security holder's rights. The amendments add two events to the list of events that must be included in any continuing disclosure agreement that is entered into after the compliance date:

- Incurrence of a financial obligation of the issuer or obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the issuer or obligated person, any of which affect security holders, if material; and
- Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of the financial obligation of the issuer or obligated person, any of which reflect financial difficulties.

To learn how to report these new disclosures please refer to the MSRB's Electronic Municipal Market Access EMMA® website (emma.msrb.org).

The applicant, Humboldt Utilities Authority, attests that it is in compliance with Tenn. Code Ann. § 9-21-134 for its debt obligations and understands that the Report is required to be filed once the SRF loan has been approved by the Tennessee Local Development Authority and the agreement has been executed by the borrower. The applicant further acknowledges that it may be responsible to perform continuing disclosure undertakings related to SEC Rule 15c2-12. Local governments should always consult bond counsel in order to obtain advice on appropriate disclosures related to this rule.



Alex Smith, President/CEO of Utilities Authority

5-29-24

Date

**HUMBOLDT UTILITIES AUTHORITY
DWF 2019-215
AUTHORIZING RESOLUTION**

RESOLUTION AUTHORIZING AND PROVIDING FOR THE FINANCING OF THE CONSTRUCTION OF A WATER FACILITIES PROJECT, INCLUDING AUTHORIZING THE EXECUTION OF APPLICATIONS, CONTRACTUAL AGREEMENTS, AND OTHER NECESSARY DOCUMENTS, AND MAKING CERTAIN REPRESENTATIONS, CERTIFICATIONS, AND PLEDGES OF CERTAIN REVENUE IN CONNECTION WITH SUCH FINANCING.

WHEREAS, the Humboldt Utilities Authority is a public and governmental body in Humboldt (Gibson County), Tennessee (the "Local Government"); and

WHEREAS, the Local Government has determined that it is necessary and desirable to undertake certain activities or tasks in connection with a water facilities project, Department of Environment and Conservation Number DWF 2019-215 (the "Project"), in and for the Local Government; and

WHEREAS, Drinking Water Revolving Loan Fund Act of 1997, Tennessee Code Annotated, Sections 68-221-1201 et seq., provide for the lending of funds in the water facilities Revolving Loan Fund to Local Governments for the purpose of providing funds for Project Loans; and

WHEREAS, the Local Government has determined that it is necessary and advisable to borrow funds for the Project pursuant to these sections.

NOW, THEREFORE, be it resolved as follows:

Section 1. Local Government hereby approves the creation of indebtedness on behalf of the Local Government in the principal amount of four million dollars (\$4,000,000) by the obtaining of a Project Loan.

Section 2. The execution and delivery of the application for a Project Loan in the principal amount of four million dollars (\$4,000,000), for the purpose of funding all or a portion of the total estimated cost of the Project, which is six million dollars (\$6,000,000), As of April 01, 2024, the current balance for the Project Loan is three million three hundred ninety eight thousand and nine hundred eighty dollars (\$3,398,980).

Section 3. The form, terms, and provisions of the agreement for the Project Loan among the Local Government, the Tennessee Department of Environment and Conservation and the Tennessee Local Development Authority (the "Loan Agreement"), as presented at this meeting, are hereby approved.

Section 4. The Local Government hereby agrees to honor and accept the method of financing as may be determined by the Authority pursuant to the Loan Agreement.

Section 5. The Local Government hereby agrees to make the monthly payments on the Project Loan in accordance with the Payment Schedule to be attached to the Loan Agreement.

Section 6. The Local Government hereby agrees to levy fees, rates or charges for services provided by the Project and/or to levy ad valorem taxes sufficient to pay the interest on and principal of the Project Loan in accordance with the Loan Agreement. The Local Government also agrees to levy fees, rates, or charges and/or ad valorem taxes sufficient to pay the cost of operation and maintenance of the water system of which the Project is a part, which cost shall include depreciation and all other debt service expense of the system.

Section 7. The Local Government assigns and pledges its Security Deposit to the State and consents to the withholding and application of Security Deposit in the event of failure by the Local Government to remit monthly payments in accordance with the terms of the Loan Agreement, as the Loan Agreement may be supplemented or amended from time to time.

Section 8. The Local Government hereby agrees that there are no local pledges of State-Shared Taxes other than those disclosed.

Section 9. The Local Government hereby agrees to obtain alternative methods of financing for all costs necessary for the completion of the Project which are in excess of the combined financing provided by any agency of the United States Government and by the Tennessee Local Development Authority.

Section 10. The President/CEO of the Utilities Authority of the Local Government is authorized and directed to execute the Loan Agreement, and any amendments or supplements to the Loan Agreement, in the name and behalf of the Local Government; to deliver such documents to the other parties to such documents, such execution and delivery to be conclusive proof of the approval of the Local Government of such documents; and to take such further action and to execute and deliver such further instruments or documents as such officer may consider necessary or advisable in connection with the Loan Agreement. Provided, however, this resolution shall not be deemed to grant authority to the named officer to approve any increase in the amount of the Project Loan.

Section 11. All orders, resolutions, or ordinances in conflict with this resolution are and the same are repealed insofar as such conflict exists. This resolution shall become effective immediately upon its passage.

Duly passed and approved this 29th day of May, 2024.

I certify under penalty of law that this document and all attachments were prepared by me, or under my direction or supervision. The submitted information is to the best of my knowledge and belief true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment. As specified in Tenn. Code Ann. § 39-16-702(a)(4), this declaration is made under penalty of perjury.



Alex Smith, President/CEO of Humboldt Utilities
Authority

**REPRESENTATION OF
LOANS AND SECURITY DEPOSIT
HUMBOLDT UTILITIES AUTHORITY
DWF 2019-215**

As security for payments due under a State Revolving Fund (SRF) Loan Agreement, a local government pledges user fees and charges and further pledges such other additional available sources of revenues as are necessary to meet its obligations under a SRF Loan Agreement. Prior to the first disbursement on a loan, a local government is required to deposit with the TLDA an amount of funds equal to the maximum annual debt service (MADS) as additional security for such loan.

- a. Prior SRF loans which have been funded or approved to the City of Humboldt for which the Humboldt Utilities Authority will assume upon TLDA approval and will pledge its revenues are as follows:

Loan Type	Loan #	Base Loan*	Principal Forgiveness*	MADS**
SRF/Sewer	SRF 2011-277	\$1,317,794	\$0	\$76,284
SRF/Sewer	CW7 2019-432	\$2,700,000	\$300,000	\$148,572
SRF/Sewer	SRF 2019-433	\$7,900,000	\$0	\$434,712
SRF/Water	DW6 2019-213	\$800,000	\$200,000	\$45,096
SRF/Water	DW7 2019-214	\$800,000	\$200,000	\$45,096
SRF/Water	DWF 2019-215	\$4,000,000	\$0	\$225,492
SRF/Sewer	SRF 2019-433-01	\$4,607,602	\$0	\$241,368
SRF/Water	DWF 2019-215-01	\$510,000	\$0	\$26,749

*If applicable, the original approved amount is adjusted for decreases and approved increases

**MADS is an estimate until final expenses have been determined.

The total required security deposit(s) for previously approved SRF loan(s) is \$1,243,369.

- b. The local government is applying for the following SRF loan(s):

Loan Type	Loan #	Anticipated Interest Rate	Base Loan	Principal Forgiveness	Anticipated MADS
SRF/Sewer					

The total anticipated security deposit(s) for the proposed loan(s) is \$0.

- c. The total MADS (a+b) is \$1,243,369.

The Local government hereby represents the information presented above is accurate and understands that funding for the loan request(s) presented is contingent upon approval by the TLDA.

Duly signed by an authorized representative of the Local Government on this 29th day of May, 2024.

This is the Comptroller's certificate as required by TCA 4-31-108.

LOCAL GOVERNMENT

BY:



Alex Smith, President/CEO of UA

REQUIREMENT FOR REPORT ON DEBT OBLIGATION
(FORM CT-0253)
HUMBOLDT UTILITIES AUTHORITY
DWF 2019-215

Pursuant to Tenn. Code Ann. § 9-21-134, a Report on Debt Obligation (the "Report") must be prepared for all debt obligations issued or entered into by any public entity and filed with its governing body with a copy sent to the Office of State and Local Finance/Comptroller of the Treasury for the State of Tennessee. The purpose of the Report is to provide clear and concise information to members of the governing or legislative body that authorized and is responsible for the debt issued.

Public entities that fail to comply with the requirements of Tenn. Code Ann. § 9-21-134 are not permitted to enter into any further debt obligations until they have complied with the law. A State Revolving Fund (SRF) loan program applicant that is not in compliance with this law should file the Report as soon as possible and provide notification of filing to the SRF loan program so that it may proceed with the loan application. Instructions on how to file the Report are located in the "Debt" category for "Local Finance" on the website of the Tennessee Comptroller of the Treasury.

Municipal Securities Rulemaking Board (MSRB) – Required Disclosure

Local governments that issue municipal securities on or after February 27, 2019, should be aware that the Securities and Exchange Commission (SEC) adopted amendments to Rule 15c2-12 of the Securities Exchange Act that require reporting on material financial obligations that could impact an issuer's financial condition or security holder's rights. The amendments add two events to the list of events that must be included in any continuing disclosure agreement that is entered into after the compliance date:

- Incurrence of a financial obligation of the issuer or obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the issuer or obligated person, any of which affect security holders, if material; and
- Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of the financial obligation of the issuer or obligated person, any of which reflect financial difficulties.

To learn how to report these new disclosures please refer to the MSRB's Electronic Municipal Market Access EMMA® website (emma.msrb.org).

The applicant, Humboldt Utilities Authority, attests that it is in compliance with Tenn. Code Ann. § 9-21-134 for its debt obligations and understands that the Report is required to be filed once the SRF loan has been approved by the Tennessee Local Development Authority and the agreement has been executed by the borrower. The applicant further acknowledges that it may be responsible to perform continuing disclosure undertakings related to SEC Rule 15c2-12. Local governments should always consult bond counsel in order to obtain advice on appropriate disclosures related to this rule.



5-29-24

Alex Smith, President/CEO of Utilities Authority

Date

This is the Comptroller's certificate as required by TCA 4-31-108.

**HUMBOLDT UTILITIES AUTHORITY
DWF 2019-215-01
AUTHORIZING RESOLUTION**

RESOLUTION AUTHORIZING AND PROVIDING FOR THE FINANCING OF THE CONSTRUCTION OF A WATER FACILITIES PROJECT, INCLUDING AUTHORIZING THE EXECUTION OF APPLICATIONS, CONTRACTUAL AGREEMENTS, AND OTHER NECESSARY DOCUMENTS, AND MAKING CERTAIN REPRESENTATIONS, CERTIFICATIONS, AND PLEDGES OF CERTAIN REVENUE IN CONNECTION WITH SUCH FINANCING.

WHEREAS, the Humboldt Utilities Authority is a public and governmental body in Humboldt (Gibson County), Tennessee (the "Local Government"); and

WHEREAS, the Local Government has determined that it is necessary and desirable to undertake *certain activities or tasks in connection with a water facilities project, Department of Environment and Conservation Number DWF 2019-215-01* (the "Project"), in and for the Local Government; and

WHEREAS, Drinking Water Revolving Loan Fund Act of 1997, Tennessee Code Annotated, Sections 68-221-1201 et seq., provide for the lending of funds in the water facilities Revolving Loan Fund to Local Governments for the purpose of providing funds for Project Loans; and

WHEREAS, the Local Government has determined that it is necessary and advisable to borrow funds for the Project pursuant to these sections.

NOW, THEREFORE, be it resolved as follows:

Section 1. Local Government hereby approves the creation of indebtedness on behalf of the Local Government in the principal amount of five hundred and ten thousand dollars (\$510,000) by the obtaining of a Project Loan.

Section 2. The execution and delivery of the application for a Project Loan in the principal amount of five hundred and ten thousand dollars (\$510,000), for the purpose of funding all or a portion of the total estimated cost of the Project, which is six million dollars (\$6,000,000), by Alex Smith, President/CEO of President/CEO of the Humboldt Utilities Authority, is hereby ratified and approved in all respects.

Section 3. The form, terms, and provisions of the agreement for the Project Loan among the Local Government, the Tennessee Department of Environment and Conservation and the Tennessee Local Development Authority (the "Loan Agreement"), as presented at this meeting, are hereby approved.

Section 4. The Local Government hereby agrees to honor and accept the method of financing as may be determined by the Authority pursuant to the Loan Agreement.

Section 5. The Local Government hereby agrees to make the monthly payments on the Project Loan in accordance with the Payment Schedule to be attached to the Loan Agreement.

Section 6. The Local Government hereby agrees to levy fees, rates or charges for services provided by the Project and/or to levy ad valorem taxes sufficient to pay the interest on and principal of the Project Loan in accordance with the Loan Agreement. The Local Government also agrees to levy fees, rates, or charges and/or ad valorem taxes sufficient to pay the cost of operation and maintenance of the water system of which the Project is a part, which cost shall include depreciation and all other debt service expense of the system.

Section 7. The Local Government assigns and pledges its Security Deposit to the State and consents to the withholding and application of Security Deposit in the event of failure by the Local Government to remit monthly payments in accordance with the terms of the Loan Agreement, as the Loan Agreement may be supplemented or amended from time to time.

Section 8. The Local Government hereby agrees that there are no local pledges of State-Shared Taxes other than those disclosed.


Section 9. The Local Government hereby agrees to obtain alternative methods of financing for all costs necessary for the completion of the Project which are in excess of the combined financing provided by any agency of the United States Government and by the Tennessee Local Development Authority.

Section 10. The President/CEO of the Utilities Authority of the Local Government is authorized and directed to execute the Loan Agreement, and any amendments or supplements to the Loan Agreement, in the name and behalf of the Local Government; to deliver such documents to the other parties to such documents, such execution and delivery to be conclusive proof of the approval of the Local Government of such documents; and to take such further action and to execute and deliver such further instruments or documents as such officer may consider necessary or advisable in connection with the Loan Agreement. Provided, however, this resolution shall not be deemed to grant authority to the named officer to approve any increase in the amount of the Project Loan.

Section 11. All orders, resolutions, or ordinances in conflict with this resolution are and the same are repealed insofar as such conflict exists. This resolution shall become effective immediately upon its passage.

Duly passed and approved this 29th day of May, 2024.

I certify under penalty of law that this document and all attachments were prepared by me, or under my direction or supervision. The submitted information is to the best of my knowledge and belief true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment. As specified in Tenn. Code Ann. § 39-16-702(a)(4), this declaration is made under penalty of perjury.



Alex Smith, President/CEO of Humboldt Utilities Authority

**REPRESENTATION OF
LOANS AND SECURITY DEPOSIT
HUMBOLDT UTILITIES AUTHORITY
DWF 2019-215-01**

As security for payments due under a State Revolving Fund (SRF) Loan Agreement, a local government pledges user fees and charges and further pledges such other additional available sources of revenues as are necessary to meet its obligations under a SRF Loan Agreement. Prior to the first disbursement on a loan, a local government is required to deposit with the TLDA an amount of funds equal to the maximum annual debt service (MADS) as additional security for such loan.

- a. Prior SRF loans which have been funded or approved to the City of Humboldt for which the Humboldt Utilities Authority will assume upon TLDA approval and will pledge its revenues are as follows:

Loan Type	Loan #	Base Loan*	Principal Forgiveness*	MADS**
SRF/Sewer	SRF 2011-277	\$1,317,794	\$0	\$76,284
SRF/Sewer	CW7 2019-432	\$2,700,000	\$300,000	\$148,572
SRF/Sewer	SRF 2019-433	\$7,900,000	\$0	\$434,712
SRF/Water	DW6 2019-213	\$800,000	\$200,000	\$45,096
SRF/Water	DW7 2019-214	\$800,000	\$200,000	\$45,096
SRF/Water	DWF 2019-215	\$4,000,000	\$0	\$225,492
SRF/Sewer	SRF 2019-433-01	\$4,607,602	\$0	\$241,368
SRF/Water	DWF 2019-215-01	\$510,000	\$0	\$26,749

*If applicable, the original approved amount is adjusted for decreases and approved increases

**MADS is an estimate until final expenses have been determined.

The total required security deposit(s) for previously approved SRF loan(s) is \$1,243,369.

- b. The local government is applying for the following SRF loan(s):

Loan Type	Loan #	Anticipated Interest Rate	Base Loan	Principal Forgiveness	Anticipated MADS
SRF/Sewer					

The total anticipated security deposit(s) for the proposed loan(s) is \$0.

- c. The total MADS (a+b) is \$1,243,369.

The Local government hereby represents the information presented above is accurate and understands that funding for the loan request(s) presented is contingent upon approval by the TLDA.

Duly signed by an authorized representative of the Local Government on this 29th day of May, 2024.

This is the Comptroller's certificate as required by TCA 4-31-108.

LOCAL GOVERNMENT

BY: _____


Alex Smith, President/CEO of UA

REQUIREMENT FOR REPORT ON DEBT OBLIGATION
(FORM CT-0253)
HUMBOLDT UTILITIES AUTHORITY
DWF 2019-215-01

Pursuant to Tenn. Code Ann. § 9-21-134, a Report on Debt Obligation (the "Report") must be prepared for all debt obligations issued or entered into by any public entity and filed with its governing body with a copy sent to the Office of State and Local Finance/Comptroller of the Treasury for the State of Tennessee. The purpose of the Report is to provide clear and concise information to members of the governing or legislative body that authorized and is responsible for the debt issued.

Public entities that fail to comply with the requirements of Tenn. Code Ann. § 9-21-134 are not permitted to enter into any further debt obligations until they have complied with the law. A State Revolving Fund (SRF) loan program applicant that is not in compliance with this law should file the Report as soon as possible and provide notification of filing to the SRF loan program so that it may proceed with the loan application. Instructions on how to file the Report are located in the "Debt" category for "Local Finance" on the website of the Tennessee Comptroller of the Treasury.

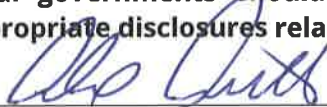
Municipal Securities Rulemaking Board (MSRB) – Required Disclosure

Local governments that issue municipal securities on or after February 27, 2019, should be aware that the Securities and Exchange Commission (SEC) adopted amendments to Rule 15c2-12 of the Securities Exchange Act that require reporting on material financial obligations that could impact an issuer's financial condition or security holder's rights. The amendments add two events to the list of events that must be included in any continuing disclosure agreement that is entered into after the compliance date:

- Incurrence of a financial obligation of the issuer or obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the issuer or obligated person, any of which affect security holders, if material; and
- Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of the financial obligation of the issuer or obligated person, any of which reflect financial difficulties.

To learn how to report these new disclosures please refer to the MSRB's Electronic Municipal Market Access EMMA® website (emma.msrb.org).

The applicant, Humboldt Utilities Authority, attests that it is in compliance with Tenn. Code Ann. § 9-21-134 for its debt obligations and understands that the Report is required to be filed once the SRF loan has been approved by the Tennessee Local Development Authority and the agreement has been executed by the borrower. The applicant further acknowledges that it may be responsible to perform continuing disclosure undertakings related to SEC Rule 15c2-12. Local governments should always consult bond counsel in order to obtain advice on appropriate disclosures related to this rule.



5-29-24

Alex Smith, President/CEO of Utilities Authority

Date

This is the Comptroller's certificate as required by TCA 4-31-108.

DEPARTMENT OF ENVIRONMENT AND CONSERVATION
DIVISION OF WATER RESOURCES

Clean Water State Revolving Fund (CWSRF) Loan Program
Funds Available for Loan Obligation
June 24, 2024

Unobligated Balance as of May 14, 2024 **\$ 127,569,412**

Increases:

	<u>Loan Number</u>	<u>Amount</u>	
City of Johnson City	SRF 2020-441	\$ 2,291,401	
Metropolitan Government of Lynchburg	CG8 2022-463	\$ 17,224	
			\$ 2,308,625

Unobligated Balance as of June 24, 2024 **\$ 129,878,037**

Decreases:

	<u>Loan Number</u>	<u>Amount</u>	
City of Rocky Top	CW8 2023-482-01	\$ 1,300,000	
			\$ (1,300,000)

Remaining Funds Available for Loan Obligations as of June 24, 2024 **\$ 128,578,037**

FACT SHEET

June 24, 2024

Borrower: City of Rocky Top
Project Number: CW8 2023-482-01
Requested SRF Funding: \$1,300,000
Term: 20 years
ATPI 10
Rate: 3.09% X 40 (Tier 1) = 1.24%
Companion Loan: Yes

Project:

Inflow and Infiltration Correction: Rehabilitation of approximately 33,000 linear feet of sewer lines by methods of cured-in-place-piping, pipe bursting, and/or open cut, and manhole rehabilitation. This construction only project is categorized as a Green Project Reserve project.

Total Project Cost:	\$6,131,111
Project Funding:	
SRF Loan Principal	\$1,300,000
Local Funds	\$ -0-
Other Funds (ARC Grant)	\$ 500,000
Other Funds (CDBG Grant)	\$ 630,000
Other Funds (TDEC ARPA Grant)	\$1,376,111
Other Funds (CGB22 2023-483)	\$1,162,500
Other Funds (CG21 2023-482)	\$1,162,500

County:	Anderson and Campbell Counties
Consulting Engineer:	Cannon & Cannon, Inc.
Priority Ranking List:	2022
Priority Ranking:	35 of 104 ¹
Public Meeting:	03/21/2023

Financial Information:

Operating Revenues:	\$1,225,956
Current Rate:	\$80.74
Financial Review Rate:	\$80.74
Effective Rates, if applicable:	N/A
Residential User Charge:	5,000 gal/month
Customer Base:	747
Audit Report Filed:	03/27/2024 (Late) ²
Initial Financial Sufficiency Review:	04/09/2024

¹ The Project ranked #35 of 104 on the 2022 Priority Ranking List.

² Late Audit Justification letter submitted to SRF.

FACT SHEET
June 24, 2024

Updated Financial Sufficiency Review: N/A

The financial sufficiency review indicates that revenues and rates are sufficient to repay its SRF loan(s).

Additional Security

The borrower pledges its unobligated state-shared taxes (SSTs) in an amount equal to the maximum annual debt service (MADS) requirements under the loan agreement.

The SSTs received by the borrower from the state in the prior fiscal year: \$260,033

MADS:	Prior Obligations:	\$170,712
	Proposed loan(s):	
	CW8 2023-482-01	<u>\$ 73,426</u>
	Totals	<u>\$244,138</u>

MADS as a percentage of SSTs: 93.88%

**REPRESENTATION OF
LOANS AND STATE-SHARED TAXES
CITY OF ROCKY TOP
CW8 2023-482-01**

As security for payments due under a State Revolving Fund (SRF) Loan Agreement, a local government pledges user fees, charges, and ad valorem taxes as necessary to meet its obligations under a SRF Loan Agreement. As an additional security for such payments due, a local government pledges and assigns its unobligated state-shared taxes (SSTs) in an amount equal to maximum annual debt service (MADS) requirements.

1. State-Shared Taxes

The total amount of SSTs, as identified pursuant to Tenn. Code Ann. § 4-31-105(c)(2), received by the local government in the prior fiscal year of the State is \$260,033.

2. Prior Obligations

(a.) Prior SRF loans which have been funded or approved for which the Local Government has pledged its SSTs are as follows:

Loan Type	Loan #	Base Loan*	Principal Forgiveness*	MADS**
SRF/Sewer	SRF 2018-418	\$432,556	\$0	\$87,612
SRF/Sewer	CG21 2023-482	\$697,500	\$465,000	\$41,280
SRF/Sewer	CGB22 2023-483	\$697,500	\$465,000	\$41,280

* If applicable, the original approved amount is adjusted for decreases and approved increases

**MADS is an estimate until final expenses have been determined

The total MADS from section 2(a.) having a lien on SSTs is \$170,172.

(b.) Other prior obligations which have been funded or approved for which the local government has pledged its SSTs are as follows:

Type of Obligation	Identifying #	Loan Amount	Principal Forgiveness	MADS
QZAB/QSCB				
TLDA/Public Health				
TLDA/Transportation				

The total MADS from section 2(b.) having a lien on SSTs is \$0.

(c.) The total MADS from prior obligations having a lien on SSTs [subsections 2(a)+2(b)] is \$170,172.

3. Loan Requests

The loan(s) which have been applied for and for which state-shared taxes will be pledged:

Loan Type	Loan #	Anticipated Interest Rate	Base Loan	Principal Forgiveness	Anticipated MADS
SRF/Sewer	CW8 2023-482-01	1.24%	\$1,300,000	\$0	\$73,426

The anticipated total maximum annual pledge of state-shared taxes pursuant to loan request(s) is \$73,426.

4. Unobligated SSTs

The amount set forth in section (1) less the total amounts set forth in sections 2 and 3 is \$16,435.

The Local government hereby represents the information presented above is accurate and understands that funding for the loan request(s) presented is contingent upon approval by the TLDA.

Duly signed by an authorized representative of the Local Government on this 26th day of April, 2024.

This is the Comptroller's certificate as required by TCA 4-31-108.

LOCAL GOVERNMENT

BY:



Kerry Templin, Mayor

REQUIREMENT FOR REPORT ON DEBT OBLIGATION
(FORM CT-0253)
CITY OF ROCKY TOP
CW8 2023-482-01

Pursuant to Tenn. Code Ann. § 9-21-134, a Report on Debt Obligation (the "Report") must be prepared for all debt obligations issued or entered into by any public entity and filed with its governing body with a copy sent to the Office of State and Local Finance/Comptroller of the Treasury for the State of Tennessee. The purpose of the Report is to provide clear and concise information to members of the governing or legislative body that authorized and is responsible for the debt issued.

Public entities that fail to comply with the requirements of Tenn. Code Ann. § 9-21-134 are not permitted to enter into any further debt obligations until they have complied with the law. A State Revolving Fund (SRF) loan program applicant that is not in compliance with this law should file the Report as soon as possible and provide notification of filing to the SRF loan program so that it may proceed with the loan application. Instructions on how to file the Report are located in the "Debt" category for "Local Finance" on the website of the Tennessee Comptroller of the Treasury.

Municipal Securities Rulemaking Board (MSRB) – Required Disclosure

Local governments that issue municipal securities on or after February 27, 2019, should be aware that the Securities and Exchange Commission (SEC) adopted amendments to Rule 15c2-12 of the Securities Exchange Act that require reporting on material financial obligations that could impact an issuer's financial condition or security holder's rights. The amendments add two events to the list of events that must be included in any continuing disclosure agreement that is entered into after the compliance date:

- Incurrence of a financial obligation of the issuer or obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the issuer or obligated person, any of which affect security holders, if material; and
- Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of the financial obligation of the issuer or obligated person, any of which reflect financial difficulties.

To learn how to report these new disclosures please refer to the MSRB's Electronic Municipal Market Access EMMA® website (emma.msrb.org).

The applicant, City of Rocky Top, attests that it is in compliance with Tenn. Code Ann. § 9-21-134 for its debt obligations and understands that the Report is required to be filed once the SRF loan has been approved by the Tennessee Local Development Authority and the agreement has been executed by the borrower. The applicant further acknowledges that it may be responsible to perform continuing disclosure undertakings related to SEC Rule 15c2-12. Local governments should always consult bond counsel in order to obtain advice on appropriate disclosures related to this rule.


Kerry Templin, Mayor

April 26, 2024
Date

This is the Comptroller's certificate as required by TCA 4-31-108.

Mike Ellis
City Manager
Amanda Daugherty
City Recorder
Jessica Jones
Accounting Clerk
Rhonda Fox
Utility Clerk



CITY OF ROCKY TOP
Proud Past • Bright Future

Kerry Templin
Mayor

City Council

Mack Bunch
Jeff Gilliam
Zack Green
Stacy Phillips

April 26, 2024

Tennessee Local Development Authority and
Tennessee Department of Environment and Conservation
Attention: State Revolving Fund Loan Program
Rosa L Parks Ave, 12th Floor
Nashville, TN 37243

RE: City of Rocky Top
Loan #CW8 2023-482-01

Dear Madam/Sir:

This letter is to inform you about the status of our June 2023 audit report. This report has been filed and posted on the website for the Tennessee State Comptroller's Office. Unfortunately, the report was filed shortly after December 31, 2023, making it delinquent.

In the future, the City will do everything possible to assure that audit reports are finalized, approved, and posted no later than December 31st of each year.

Please do not hesitate to reach out with any additional questions or needs.

Sincerely,

CITY OF ROCKY TOP

Mike Ellis
City Manager

DEPARTMENT OF ENVIRONMENT AND CONSERVATION
DIVISION OF WATER RESOURCES

Drinking Water State Revolving Fund (DWSRF) Loan Program
Funds Available for Loan Obligation
June 24, 2024

Unobligated Balance as of May 14, 2024			\$ 50,388,407
<u>Increases:</u>	<u>Loan Number</u>	<u>Amount</u>	
City of Trenton	DW8 2022-245	\$ 335,860	
			\$ 335,860
Unobligated Balance as of June 24, 2024			\$ 50,724,267
<u>Decreases:</u>	<u>Loan Number</u>	<u>Loan Amount</u>	
City of Cookeville	DWF 2022-244-01	\$ 5,500,000	
			\$ (5,500,000)
Remaining Funds Available for Loan Obligations as of June 24, 2024			\$ 45,224,267

FACT SHEET

June 24, 2024

Borrower: City of Cookeville
Project Number: DWF 2022-244-01
Requested SRF Funding: \$5,500,000
Term: 20 years
ATPI 40
Rate: 3.09% X 60 (Tier 2) = 1.85%
Companion Loan: Yes

Project:

Water Treatment Plant (WTP) Expansion: Expansion of the existing WTP's capacity from 15 million gallons per day (MGD) today to 22.5 MGD.

Total Project Cost:	\$23,000,000
Project Funding:	
SRF Loan Principal	\$ 5,500,000
Local Funds	\$ -0-
Other Funds (DWF 2022-244)	\$17,500,000

County:	Putnam County
Consulting Engineer:	CTI Engineers
Priority Ranking List:	2021
Priority Ranking:	18 of 72 ¹
Public Meeting:	09/15/2021

Financial Information:

Operating Revenues:	\$22,283,465
Current Rate:	\$28.20
Financial Review Rate:	\$28.20
Effective Rates, if applicable:	N/A
Residential User Charge:	5,000 gal/month
Customer Base:	16,260
Audit Report Filed:	12/29/2023 (Timely)
Initial Financial Sufficiency Review:	05/09/2024
Updated Financial Sufficiency Review:	N/A

The financial sufficiency review indicates that revenues and rates are sufficient to repay its SRF loan(s).

¹ The Project ranked #18 of 72 on the 2021 Priority Ranking List.

FACT SHEET
June 24, 2024

Additional Security

The borrower pledges its unobligated state-shared taxes (SSTs) in an amount equal to the maximum annual debt service (MADS) requirements under the loan agreement.

The SSTs received by the borrower from the state in the prior fiscal year: \$6,030,157

MADS:	Prior Obligations:	\$1,104,518
	Proposed loan(s):	
	DWF 2022-244-01	<u>\$ 329,215</u>
	Totals	<u>\$1,433,733</u>
MADS as a percentage of SSTs:		23.77%

**REPRESENTATION OF
LOANS AND STATE-SHARED TAXES
CITY OF COOKEVILLE
DWF 2022-244-01**

As security for payments due under a State Revolving Fund (SRF) Loan Agreement, a local government pledges user fees, charges, and ad valorem taxes as necessary to meet its obligations under a SRF Loan Agreement. As an additional security for such payments due, a local government pledges and assigns its unobligated state-shared taxes (SSTs) in an amount equal to maximum annual debt service (MADS) requirements.

1. State-Shared Taxes

The total amount of SSTs, as identified pursuant to Tenn. Code Ann. § 4-31-105(c)(2), received by the local government in the prior fiscal year of the State is \$6,030,157.

2. Prior Obligations

(a.) Prior SRF loans which have been funded or approved for which the Local Government has pledged its SSTs are as follows:

Loan Type	Loan #	Base Loan*	Principal Forgiveness*	MADS**
SRF/Sewer	CWA 2009-235	\$2,074,887	\$1,383,258	\$132,168
SRF/Water	DWF 2022-244	\$17,500,000	\$0	\$972,350

* If applicable, the original approved amount is adjusted for decreases and approved increases

**MADS is an estimate until final expenses have been determined

The total MADS from section 2(a.) having a lien on SSTs is \$1,104,518.

(b.) Other prior obligations which have been funded or approved for which the local government has pledged its SSTs are as follows:

Type of Obligation	Identifying #	Loan Amount	Principal Forgiveness	MADS
QZAB/QSCB				
TLDA/Public Health				
TLDA/Transportation				

The total MADS from section 2(b.) having a lien on SSTs is \$0.

(c.) The total MADS from prior obligations having a lien on SSTs [subsections 2(a)+2(b)] is \$1,104,518.

3. Loan Requests

The loan(s) which have been applied for and for which state-shared taxes will be pledged:

Loan Type	Loan #	Anticipated Interest Rate	Base Loan	Principal Forgiveness	Anticipated MADS
SRF/Water	DWF 2022-244-01	1.85%	\$5,500,000	\$0	\$329,215

The anticipated total maximum annual pledge of state-shared taxes pursuant to loan request(s) is \$329,215.

4. Unobligated SSTs

The amount set forth in section (1) less the total amounts set forth in sections 2 and 3 is \$4,596,424.

The Local government hereby represents the information presented above is accurate and understands that funding for the loan request(s) presented is contingent upon approval by the TLDA.

Duly signed by an authorized representative of the Local Government on this 7th day of June, 2024.

This is the Comptroller's certificate as required by TCA 4-31-108.

LOCAL GOVERNMENT

BY:



Laurin Wheaton, Mayor

REQUIREMENT FOR REPORT ON DEBT OBLIGATION

(FORM CT-0253)

CITY OF COOKEVILLE DWF 2022-244-01

Pursuant to Tenn. Code Ann. § 9-21-134, a Report on Debt Obligation (the "Report") must be prepared for all debt obligations issued or entered into by any public entity and filed with its governing body with a copy sent to the Office of State and Local Finance/Comptroller of the Treasury for the State of Tennessee. The purpose of the Report is to provide clear and concise information to members of the governing or legislative body that authorized and is responsible for the debt issued.

Public entities that fail to comply with the requirements of Tenn. Code Ann. § 9-21-134 are not permitted to enter into any further debt obligations until they have complied with the law. A State Revolving Fund (SRF) loan program applicant that is not in compliance with this law should file the Report as soon as possible and provide notification of filing to the SRF loan program so that it may proceed with the loan application. Instructions on how to file the Report are located in the "Debt" category for "Local Finance" on the website of the Tennessee Comptroller of the Treasury.

Municipal Securities Rulemaking Board (MSRB) – Required Disclosure

Local governments that issue municipal securities on or after February 27, 2019, should be aware that the Securities and Exchange Commission (SEC) adopted amendments to Rule 15c2-12 of the Securities Exchange Act that require reporting on material financial obligations that could impact an issuer's financial condition or security holder's rights. The amendments add two events to the list of events that must be included in any continuing disclosure agreement that is entered into after the compliance date:

- Incurrence of a financial obligation of the issuer or obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the issuer or obligated person, any of which affect security holders, if material; and
- Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of the financial obligation of the issuer or obligated person, any of which reflect financial difficulties.

To learn how to report these new disclosures please refer to the MSRB's Electronic Municipal Market Access EMMA® website (emma.msrb.org).

The applicant, City of Cookeville, attests that it is in compliance with Tenn. Code Ann. § 9-21-134 for its debt obligations and understands that the Report is required to be filed once the SRF loan has been approved by the Tennessee Local Development Authority and the agreement has been executed by the borrower. The applicant further acknowledges that it may be responsible to perform continuing disclosure undertakings related to SEC Rule 15c2-12. Local governments should always consult bond counsel in order to obtain advice on appropriate disclosures related to this rule.


Laurin Wheaton, Mayor

6/17/24

Date

This is the Comptroller's certificate as required by TCA 4-31-108.

**TOWN OF CHAPEL HILL, TENNESSEE
2202 UNIONVILLE ROAD
CHAPEL HILL, TENNESSEE 37034**

May 23, 2024

Ms. Sandra Thompson
Director
Tennessee Local Development Authority
Cordell Hull Building
425 Rep John Lewis Way N
Nashville, Tennessee 37243

Via Email

Re: Town of Chapel Hill, Tennessee not to exceed \$17,000,000 Water and Sewer System PBA Loan

Dear Ms. Thompson:

The Town of Chapel Hill (the "Town"), intends to enter into a loan agreement with the PBA City of Clarksville in the amount of not to exceed \$17,000,000, to finance the costs of the extension, construction, improvement, and equipping of the water and sewer systems of the Town, including but not necessarily limited to, (a) the construction of a new sewer plant and a new raw water storage tank, (b) the acquisition of all other property real and personal appurtenant thereto and connected with such work, (c) all legal, fiscal, administrative, planning, and engineering costs incident thereto, and (ii) to pay costs incident to the issuance of the Bonds, and the loan of the proceeds thereof to the Town.

The Town has one SRF Loan. The Town understands that TLDA must be notified of the incurrence of debt by the Town, even if the Water/Sewer Loan will not be on a parity with any SRF loans the Town has outstanding.

Therefore, this is to give notice that the Town acknowledges that this Water/Sewer Loan will be issued subordinate to its outstanding SRF Loan.


The Town adopted the Initial Resolution at its April 8, 2024 meeting and published such Initial Resolution in the local paper on April 18, 2024. The Town also adopted the Loan Resolution at its April 8, 2024 meeting. A request for PBA loan approval will be submitted to the Comptroller's office. The PBA intends to sell its Bonds on June 4, 2024.

The Town needs to enter into the Loan Agreement by June 20, 2024. Therefore, the Town respectfully requests that the forty-five (45) day notice for written notification be waived.

If you have any questions or need any additional information, please let me know.

Yours truly,

TOWN OF CHAPEL HILL, TENNESSEE

By: 
Its: Town RECORDER - Phillip DYE



JASON E. MUMPOWER
Comptroller

May 29, 2024

Phillip Dye
Town Recorder
2202 Unionville Road
Chapell Hill, TN 37034

Mr. Dye:

This letter acknowledges that the Town of Chapel Hill has provided written notice to the Tennessee Local Development Authority (the "TLDA") of its intent to enter into a loan agreement with the Public Building Authority (PBA) of the City of Clarksville in an amount not to exceed \$17,000,000, to finance the costs of the extension, construction, improvement, and equipping of the water and sewer systems of the Town and that the loan will be issued subordinate to its State Revolving Fund (SRF) loan. In addition, this letter also acknowledges a waiver of the 45-day requirement for written notification pursuant to the TLDA SRF Policy and Guidance for Borrowers.

Please let us know if you need any additional information in this regard.

Sincerely,

A handwritten signature in black ink that reads "Sandra Thompson".

Sandra Thompson
Director
Assistant Secretary to the Tennessee Local Development Authority
Division of State Government Finance
Office of the Comptroller of the Treasury

cc: Sheila Reed, Director, Division of Local Government Finance



JASON E. MUMPOWER
Comptroller

May 29, 2024

Honorable Mr. Mike Faulkenberry, Mayor
and Honorable Board of Aldermen
Town of Chapel Hill
4650 Nashville Hwy
Chapel Hill, TN 37034

Dear Mayor Faulkenberry and Board of Aldermen:

Thank you for your request. We acknowledge receipt on May 24, 2024, of a request for approval for the Town of Chapel Hill (the "Town") to enter into a thirty-year loan agreement with the Public Building Authority of the City of Clarksville, Tennessee (the "PBA") in an amount not to exceed \$17,000,000 (the "PBA Loan Agreement").

Included with the request letter were certified copies of Resolutions No. 2024-014 and No. 2024-013, both adopted on April 8, 2024, authorizing the Town to enter into a PBA Loan Agreement to finance the costs of the extension, construction, improvement, and equipping of water and sewer systems of the Town, and the construction of a new sewer plant and a new raw water storage tank (the "Project").

The Town published a notice concerning the initial resolution on April 18, 2024, and no petition protesting the incurrence of the indebtedness was filed with officials according to the Town's request letter.

Purpose, Terms, and Life

This Project is defined as a public works project in Tenn. Code Ann. § 9-21-105, and the Town may enter into a loan agreement with a public building authority under the authority of Title 12, Chapter 10 of the Tennessee Code Annotated to finance such Project. The submitted certified resolution appears to meet the requirements for entering into such a loan agreement. The maximum term for the loan agreement authorized by the governing body is thirty years. The interest rate is fixed for the term of the Bonds, and will mature February 1, 2026 through February 1, 2054.

Approval

This letter constitutes approval for the Town to enter into the PBA Loan Agreement pursuant to Tenn. Code Ann. § 12-10-109.

May 29, 2024
Town of Chapel Hill
Page 2

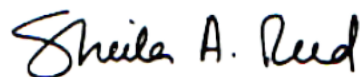
Our office has relied upon the Town's determination of the cost of the public works project. Please notify us if the Town decides not to enter into the loan agreement.

Requirements After the Loan Has Been Executed

Our website contains specific compliance requirements your local government will be responsible for once the loan agreement has been executed: <http://tncot.cc/debt>.

If you should have questions or need assistance, please refer to our online resources or feel free to contact your financial analyst, Meghan Huffstutter, at 615.747.5379 or Meghan.Huffstutter@cot.tn.gov.

Sincerely,



Sheila Reed, Director
Division of Local Government Finance

cc: Ms. Linda Mooningham, Tennessee Municipal Bond Fund
Mr. Phillip Dye, Recorder, Chapel Hill