TENNESSEE LOCAL DEVELOPMENT AUTHORITY
March 10, 2016

The Tennessee Local Development Authority (the "Authority" or "TLDA") met on Thursday, March 10, 2016, at 2:00 p.m. in the Legislative Plaza, Room LP-29, Nashville, Tennessee. The Honorable Tre Hargett, Secretary of State, was present and presided as Vice-Chair.

The following members were also present:

The Honorable Justin Wilson, Comptroller of the Treasury
The Honorable David Lillard, State Treasurer
Angela Scott, Proxy for Commissioner Larry Martin, Department of Finance and Administration
Dr. Kenneth Moore, House Appointee

The following member participated telephonically as authorized by Tennessee Code Annotated Section 8-44-108 and as posted in the meeting notice:

Mr. Pat Wolfe, Senate Appointee

The following member was absent:

The Honorable Bill Haslam, Governor

Recognizing a physical quorum present, Mr. Hargett called the meeting to order and performed a roll-call:

Dr. Moore—Present
Ms. Scott—Present
Mr. Hargett—Present
Mr. Lillard—Present
Mr. Wilson—Present
Mr. Wolfe--Present

Mr. Hargett asked for a motion to approve the minutes of December 7, 2015. Mr. Wilson made a motion to approve the minutes, and Dr. Moore seconded the motion. Mr. Hargett performed a roll-call vote:

Mr. Wolfe—Yes
Mr. Wilson—Yes
Mr. Lillard—Yes
Mr. Hargett—Yes
Ms. Scott—Yes
Dr. Moore—Yes

The minutes were unanimously approved.

Mr. Hargett noted that the previously approved minutes of the October 29, 2015 meeting contained a scrivener's error, and that an excerpt of those minutes showing the correction was included in the meeting materials. (The requested loan amount for Gordonsville SRF 16-368 had been incorrectly recorded as $61,000, but should have been $61,500.) Mr. Wilson made a motion to approve the correction of the minutes, and Mr. Wolfe seconded the motion. Mr. Hargett performed a roll-call vote:

Mr. Wolfe—Yes
Mr. Wilson—Yes
Mr. Lillard—Yes
Mr. Hargett—Yes
Ms. Scott—Yes
Dr. Moore—Yes

The minutes were unanimously approved.

Mr. Hargett stated that the next item of business was consideration for approval of Clean Water State Revolving Fund (SRF) loan requests. He asked Mr. Sherwin Smith, Manager of the SRF loan program to present the requests. Mr. Smith first presented the unobligated fund balance. He stated that the balance was $192,536,763 as of October 29, 2015. Upon approval of the loan requests to be presented, the funds available for loan obligations would decrease to $182,814,688. He then described the loan requests:

- Camden (SRF 2016-366)—Requesting $1,997,000 for water treatment plant (WWTP) improvements—secondary treatment; recommended interest rate of 0.96% based on the Ability to Pay Index (ATPI).
- Camden (SRF 2014-336)—Requesting $7,358,000 for WWTP improvements—secondary treatment (Phase 2—Land application system to include an effluent pump station, force main, drip/spray irrigation system); recommended interest rate of 0.96% based on ATPI.
- White House (SRF 2016-364)—Requesting $800,000 for WWTP improvements (influent screens, EQ basin modifications, and new spray irrigation disposal system); recommended interest rate of 1.11% based on ATPI.

Mr. Hargett moved for approval of the Clean Water SRF loans, and Dr. Moore seconded the motion. Mr. Hargett performed a roll-call vote:

Mr. Wolfe—Yes
Mr. Wilson—Yes
Mr. Lillard—Yes
Mr. Hargett—Yes
Ms. Scott—Yes
Dr. Moore—Yes

The motion passed unanimously.

Mr. Hargett stated that the next item of business was consideration for approval of Drinking Water State Revolving Fund (SRF) loan requests. He asked Mr. Smith to present the requests. Mr. Smith first presented the unobligated fund balance. He stated the balance was $46,333,700 as of December 7, 2015. Upon approval of the loan requests to be presented, the funds available for loan obligations would decrease to $45,205,146. He then described the loan requests:

- Bloomingdale Utility District (DWF 2016-171)—Requesting $330,000 for water system improvements; recommended interest rate of 0.88% based on the ATPI.
- West Overton Utility District (DWF 2016-173)—Requesting $850,000 ($637,500 loan; $212,500 principal forgiveness) for Green—Water meter replacement; recommended interest rate of 0.35% based on the ATPI.

Mr. Hargett moved for approval of the Drinking Water SRF loans, and Dr. Moore seconded the motion. Mr. Hargett performed a roll-call vote:

Mr. Wolfe—Yes
Mr. Wilson—Yes
Mr. Lillard—Yes
Mr. Hargett—Yes
Ms. Scott—Yes
Dr. Moore—Yes

The motion passed unanimously.

Mr. Lillard introduced Mr. Earle Pierce as the new Director of Internal Audit and stated that Mr. Pierce would serve as the TLDA Audit Committee Secretary.

Hearing no further business, Mr. Hargett made a motion to adjourn, and Mr. Lillard seconded the motion. The meeting was adjourned.

Mr. Wolfe—Yes
Mr. Wilson—Yes
Mr. Lillard—Yes
Mr. Hargett—Yes
Ms. Scott—Yes
Dr. Moore—Yes

Approved on this 7th day of April, 2016.

Respectfully submitted,

Sandra Thompson

Sandra Thompson
Assistant Secretary