

TENNESSEE LOCAL DEVELOPMENT AUTHORITY
December 20, 2021

The Tennessee Local Development Authority (the "TLDA") met on Monday, December 20, 2021, at 11:35 a.m. in the House Hearing Room I, First Floor, Cordell Hull Building, Nashville, Tennessee. The Honorable Tre Hargett, Secretary of State, was present and presided over the meeting.

The following members were also present:

The Honorable Jason E. Mumpower, Comptroller of the Treasury
Kevin Bradley, Proxy for the Honorable David H. Lillard, Jr., State Treasurerⁱ
Commissioner Butch Eley, Department of Finance and Administration
Ms. Paige Brown, House Appointee

The following members were absent:

The Honorable Bill Lee, Governor
Mr. Gary Cordell, Senate Appointee

Recognizing a quorum present, Mr. Hargett called the meeting to order.

Mr. Hargett stated that the first item on the agenda was approval of the minutes from the October 25, 2021, TLDA meeting. Mr. Hargett asked for a motion to approve the minutes. Mr. Mumpower made a motion to approve the minutes, and Ms. Brown seconded the motion. Mr. Hargett asked all in favor to say aye and all opposed to say no. By a vote of 5 – 0, the motion carried, and the minutes were unanimously approved.

Mr. Hargett stated that the next item on the agenda was a Resolution of Appreciation to Mr. Pat Wolfe. He stated that the TLDA had issued a Resolution of Appreciation to Mr. Pat Wolfe to express its gratitude and appreciation for his dedication and exemplary service as a member of the Authority. He stated that the Resolution of Appreciation would not require action by the TLDA board.

Mr. Hargett stated that the next item on the agenda was consideration and approval of a Drinking Water State Revolving Fund (DWSRF) loan request. He recognized Mr. Adeniyi Bakare, SRF Program Manager for the Tennessee Department of Environment and Conservation (TDEC), to present the loan request. Mr. Bakare first presented the Report on Funds Available for Loan Obligation for the DWSRF Loan Program. He stated the unobligated fund balance was \$65,439,208 as of August 23, 2021. He stated that since that time, the unobligated balance had increased by \$100,000 with the return of previous (unused) funding from the Brownsville Energy Authority. Upon approval of the loan request to be presented totaling \$255,000, the remaining funds available for loan obligations would be \$65,284,208. He then presented the DWSRF loan request.

- **Camden (DW7 2021-237)** Requesting \$255,000 (\$127,500 Loan; \$127,500 principal forgiveness) for an asset management plan (develop a water distribution system asset management plan – phase 1); recommended interest rate of 0.10% based on the Ability to Pay Index (ATPI); Priority ranking 11 of 43 (FY2020); Term: 5 years

Mr. Eley made a motion to approve the loan, and Ms. Brown seconded the motion. Mr. Hargett inquired if there was any discussion. Hearing none, he asked all in favor to say aye and all opposed to say no. By a vote of 5 – 0, the motion carried, and the loan was unanimously approved.

Mr. Hargett stated that the next item on the agenda was consideration and approval of a Clean Water State Revolving Fund (CWSRF) loan request. He called upon Mr. Bakare to present the loan request. Mr. Bakare first presented the Report on Funds Available for Loan Obligation for the CWSRF Loan Program. He stated the unobligated fund balance was \$9,982,396 as of October 25, 2021. He stated that since that time, the unobligated balance had increased

ⁱ Proxy letter was received after the meeting was held; therefore, this member's votes are nullified.

by \$415,245 with the return of previous (unused) funding from the Towns of Chapel Hill and Jasper. Upon approval of the loan request to be presented totaling \$2,500,000, the remaining funds available for loan obligations would be \$7,897,641. He then presented the CWSRF loan request.

- **Metropolitan Government of Lynchburg, Moore County (Metro Lynchburg) (CG8 2022-463)** Requesting \$2,500,000 for infiltration and inflow correction (Rehabilitation of approximately 20,000 linear feet (LF) of sewer lines and lateral connections by open cut replacement and cured-in-place pipe methods and lining of associated manholes); recommended interest rate of 1.03% based on the ATPI; Priority ranking 41 of 64 (FY2020); Term: 20 years.

Mr. Bakare stated that Metro Lynchburg's audit report was filed timely but that it had an adverse opinion. He explained that the adverse opinion was due to the Water and Sewer Department not having its financial records available when the audit was completed. He further stated that an action plan had been submitted, and a corrective action explanation had been sent to the Comptroller's office.

Mr. Mumpower made a motion to approve the loan, and Mr. Eley seconded the motion. Mr. Hargett inquired if there was any discussion. Hearing none, he asked all in favor to say aye and all opposed to say no. By a vote of 5 – 0, the motion carried, and the loan was unanimously approved.ⁱⁱ

Mr. Hargett stated that the next item on the agenda was the report on the notification from the Town of Livingston submitted to comply with TLDA SRF Policy and Guidance for Borrowers. He called upon Ms. Thompson to present the report. Ms. Thompson stated that a notice was received from the Town of Livingston stating that it intended to issue its Series 2021 Water and Sewer System Revenue and Tax Refunding Bonds to currently fund its outstanding Water and Sewer Revenue and Tax Refunding Bonds that would mature in December 2033. She further stated that the Town acknowledged that the Refunding Bonds would be issued subordinate to its outstanding SRF loans to comply with the TLDA SRF Policy and Guidance. She stated that this was a notification and would not require action by the TLDA board. Mr. Hargett asked if there were any questions about the report. Hearing none, and with no further action necessary, he moved on to the next agenda item.

Mr. Hargett stated that the next item of business was the report on the notification from the Town of Oakland submitted to comply with TLDA SRF Policy and Guidance for Borrowers. He called upon Ms. Thompson to present the report. Ms. Thompson stated that a notice was received from the Town of Oakland stating that it intended to issue its Series 2021 Sewer System Revenue and Tax Capital Outlay Notes to finance sewer system improvements, specifically for the wastewater treatment plant expansion. The Town of Oakland acknowledged that the Notes would be issued subordinate to its outstanding SRF loans to comply with the TLDA SRF Policy and Guidance. In addition, she stated that the Town intended to issue the notes in December and requested that the 45-day notice of written notification be waived. She stated that this was a notification and would not require action by the TLDA board. Mr. Hargett asked if there were any questions about the report. Hearing none, and with no further action necessary, he moved on to the next agenda item.

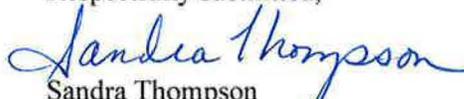
Mr. Hargett stated that the next item of business was the report on the notification from the Metropolitan Government of Nashville and Davidson County submitted to comply with TLDA SRF Policy and Guidance for Borrowers. He called upon Ms. Thompson to present the report. Ms. Thompson stated that a notice was received from the Metropolitan Government of Nashville and Davidson County stating that it intended to revise its existing Commercial Paper Programs and proposed to issue the Notes for the purpose of providing interim financing for water and sewer system improvements and extensions. She further stated that Metro acknowledged that the Notes would be secured by a pledge of the issuer's water and sewer system revenues and would be subordinate to the pledge of such revenues in favor of the issuer's outstanding SRF loans as required by the TLDA SRF Policy and Guidance for Borrowers. She stated that this was a notification and would not require action by the TLDA board. Mr. Hargett asked if there were any questions about the report. There were no questions. This report was for information only. No board action was needed.

ⁱⁱ Mr. Mumpower excused himself from the remainder of the meeting

Hearing no other business, Mr. Eley made a motion to adjourn the meeting, and Ms. Brown seconded the motion. Mr. Hargett asked all in favor to say aye and all opposed to say no. By a vote of 4 – 0, the meeting was adjourned.

Approved on this 23rd day of February, 2022.

Respectfully submitted,


Sandra Thompson
Assistant Secretary