TENNESSEE LOCAL DEVELOPMENT AUTHORITY
October 20, 2025

The Tennessee Local Development Authority (TLDA) met on Monday, October 20, 2025, at 2:18 p.m., CT, in the Volunteer Conference Center, 2nd Floor, Cordell Hull Building, Nashville, Tennessee. Secretary of State Tre Hargett was present and presided over the meeting.

The following members were also present:

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

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

Mayor Rollen "Buddy" Bradshaw, Senate Appointee
Mayor Paige Brown, House Appointee

The following member was absent:

The Honorable Bill Lee, Governor

Recognizing a physical quorum present, Secretary Hargett called the meeting to order and asked Ms. Sandra Thompson, TLDA Assistant Secretary and the Director of the Division of State Government Finance (SGF) to conduct a roll call:

Treasurer Lillard—Present
Secretary Hargett—Present
Comptroller Mumpower—Present
Commissioner Bryson—Present
Mayor Brown—Present
Mayor Bradshaw—Present

Secretary Hargett, in accordance with Tenn. Code Ann. § 8-44-112 and Board guidelines, asked Ms. Thompson 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 first item of business was approval of the minutes from the July 21, 2025, TLDA meeting. Comptroller Mumpower moved approval of the minutes, and Commissioner Bryson seconded the motion. Secretary Hargett asked if there was any discussion. Hearing none, he asked Ms. Thompson to conduct a roll call vote:

Treasurer Lillard—Aye
Secretary Hargett—Aye
Comptroller Mumpower—Aye
Commissioner Bryson—Aye
Mayor Brown—Aye
Mayor Bradshaw—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. Secretary Hargett recognized Ms. Vena Jones, Program Manager at the Tennessee Department of Environment and Conservation (TDEC), to present the CWSRF unobligated balance report and loan

request. Ms. Jones reported that, as of June 23, 2025, the Unobligated Fund Balance for the Clean Water State Revolving Fund (CWSRF) Loan Program was $226,720,407. She stated that since that date, the balance had increased by $137,408,666. This increase was attributed to fiscal year 2025 principal and interest repayments, fiscal year 2025 Treasury interest earnings, federal fiscal year (FFY) 2024 capitalization grants, the FFY 2024 Infrastructure Investment and Jobs Act (IIJA) general supplemental state match, and the return of $379,000 in unused loan funds from a Brownsville Energy Authority project. Ms. Jones stated that, upon the approval of the $27,000,000 loan request, the remaining funds available for loan obligations in the CWSRF would total $337,129,073. Additionally, Ms. Jones reported that the Unobligated Fund Balance for CWSRF Non-Revolving Funds was $1,358,000 as of June 23, 2025. She explained that the balance had since increased by $3,089,000 due to the receipt of a FFY 2024 IIJA Emerging Contaminants Grant, bringing the total available balance to $4,447,000. Secretary Hargett then asked if there were any questions regarding the reports. Hearing none, Ms. Jones proceeded to present the CWSRF loan request:

- **Springfield (CW9 2024-489-02)** Requesting $27,000,000 for new advanced treatment wastewater treatment plant (WWTP): Construction of a new 7.0 million gallons per day WWTP to include a new biological treatment system, influent pump stations, headworks, activated sludge treatment, and sludge digestion and management; recommended interest rate of 2.93% based on the Ability to Pay Index (ATPI); Priority ranking 5 of 104 (2022); Term: 20 years

Secretary Hargett called for a motion to approve the loan. Treasurer Lillard made a motion to approve the loan request, and Comptroller Mumpower seconded the motion. Secretary Hargett asked if there were any questions or comments. Commissioner Bryson responded affirmatively and sought clarification on the City's Maximum Annual Debt Service (MADS) exceeding 200% of its State Shared Taxes (SSTs), noting that this ratio was significantly higher as compared to most local governments with SRF loans. In response, Ms. Jones explained that TDEC had required the City to provide access to its SSTs in the event of a default. However, she clarified that the City was financially strong and generated revenues that far exceeded its debt service obligations, making the likelihood of default extremely low. She added that the City would have to default on all of its outstanding loans simultaneously to reach the 200% threshold. Based on the City's revenue strength, TDEC remained confident in its ability to meet its obligations. Commissioner Bryson then asked whether the loan approval was based solely on the City's revenues, without consideration of its SSTs. Ms. Jones confirmed that it was. Secretary Hargett asked if there were any further questions or comments. Hearing none, he asked Ms. Thompson to conduct a roll call vote:

Treasurer Lillard—Aye
Secretary Hargett—Aye
Comptroller Mumpower—Aye
Commissioner Bryson—Aye
Mayor Brown—Aye
Mayor Bradshaw—Aye

The loan request was unanimously approved.

Secretary Hargett stated that the next item on the agenda was the report on SRF borrowers that had not submitted request for project expense reimbursement. He recognized Ms. Jones to present the report. Ms. Jones presented the SRF No Activity Report and stated that several borrowers had not yet drawn funds on their SRF loans. She provided updates on several projects, explaining that delays were due to a range of factors, including coordination with American Rescue Plan Act funding and change orders, ongoing bid processes, hurricane recovery impacts, regulatory reviews, and contractor compliance issues. She stated that most borrowers were expected to submit reimbursement requests in the near future, and further details for each borrower were included in the report. Ms. Jones emphasized that the failure to draw down funds on active loans posed a challenge for the SRF program. She explained that TDEC was in the process of finalizing new loan documents to ensure compliance with updated federal regulations. She also stated that TDEC was exploring the addition of conditions that would penalize borrowers who did not submit their first reimbursement request within six months of loan execution or who had not begun construction within twelve months. Furthermore, she noted that borrowers would be required to request disbursements at least quarterly, but no more than monthly. Ms. Jones concluded by stating that TDEC hoped these

modifications would promote the timely and efficient use of SRF funds. Secretary Hargett then asked if there were any questions or comments. Hearing none, he thanked Ms. Jones for her report. No board action was required.

Secretary Hargett stated that the next item on the agenda was the consideration and approval of the TLDA's SRF Policy and Guidance for Borrowers (SRF Policy & Guidance). He then noted that the item had been deferred to a future meeting. Ms. Thompson confirmed the deferral, and no further discussion took place on the matter.

Secretary Hargett stated that the next item on the agenda was consideration and approval of the TLDA's Tennessee Transportation State Infrastructure Fund (SIF) Policy and Guidance for Borrowers (SIF Policy & Guidance). Secretary Hargett recognized Ms. Kayla Carr, Assistant Director of SGF to present the item. Ms. Carr reported that the Public Acts of 2009, Chapter 525, established the SIF. She stated that in accordance with the Act, approximately $2,200,000 was transferred to the fund in 2010, and the TLDA was granted authority to approve loans made from the fund. She noted that, upon recommendation from the Tennessee Department of Transportation (TDOT), the TLDA approved one loan to the City of Lakeland in March 2011. Ms. Carr further noted that no formal policies or procedures were ever adopted for the program, and no additional loan requests had come before the TLDA since that time. She continued by stating that, as part of its fiscal year 2026 budget, TDOT received an additional $50,000,000 to allocate to the SIF. Ms. Carr added that representatives from TDOT were present, including Deputy Commissioner of Planning Preston Elliott and Director of Legislative Affairs Jay Klein, should the TLDA have any questions. Ms. Carr stated that, in anticipation of renewed activity under the SIF, staff had collaborated with TDOT to develop a policy document for the TLDA's consideration and approval. Ms. Carr noted that the proposed SIF Policy and Guidance was modeled after the TLDA's existing SRF Policy and Guidance. She explained that the SIF program would support a broad range of infrastructure projects, including streets, highways, bridges, and other roadway improvements; air transport and airport facilities; railways and rail facilities; port facilities; mass transit systems; parking facilities; and pedestrian or bicycle infrastructure, as recommended by TDOT. Secretary Hargett asked if there were any questions or comments. Hearing none, Secretary Hargett moved approval of the SIF Policy & Guidance, and Comptroller Mumpower seconded the motion. Secretary Hargett asked Ms. Thompson to conduct a roll call vote:

Treasurer Lillard—Aye
Secretary Hargett—Aye
Comptroller Mumpower—Aye
Commissioner Bryson—Aye
Mayor Brown—Aye
Mayor Bradshaw—Aye

The SIF Policy & Guidance was unanimously approved.

Secretary Hargett stated that the next item on the agenda was the report on the notification from the Town of Jasper submitted to comply with the TLDA's SRF Policy & Guidance. Secretary Hargett recognized Ms. Thompson to present the item. Ms. Thompson explained that, pursuant to the SRF Policy and Guidance, the Town of Jasper was required to notify the TLDA of its intent to incur additional debt. She reported that the Town planned to issue Revenue and Refunding Bonds in an amount not to exceed $163,000, with a lien position subordinate to its outstanding SRF loans. Secretary Hargett noted that this was a non-voting item, and no board action was required.

Secretary Hargett stated that the next item on the agenda was the report on the notification from the Town of White Pine submitted to comply with the TLDA's SRF Policy & Guidance. Secretary Hargett recognized Ms. Thompson to present the item. Ms. Thompson explained that, pursuant to the SRF Policy and Guidance, the Town of White Pine was required to notify the TLDA of its intent to incur additional debt. She reported that the Town planned to issue Water and Sewer System Revenue and Tax Capital Outlay Notes in an amount not to exceed $440,000, with a lien position subordinate to its outstanding SRF loans. Secretary Hargett noted that this was a non-voting item, and no board action was required.

Hearing no further business, Secretary Hargett asked for a motion to adjourn. Commissioner Bryson motioned to adjourn the meeting, and Treasurer Lillard seconded the motion. Secretary Hargett asked if there was any discussion. Hearing none, Secretary Hargett asked Ms. Thompson to conduct a roll call vote:

Treasurer Lillard—Aye
Secretary Hargett—Aye
Comptroller Mumpower—Aye
Commissioner Bryson—Aye
Mayor Brown—Aye
Mayor Bradshaw—Aye

The meeting was adjourned.

Approved on this 24th day of November, 2025.

Respectfully submitted,

Sandi Thompson / KC

Sandra Thompson
Assistant Secretary