TENNESSEE LOCAL DEVELOPMENT AUTHORITY
December 7, 2015

The Tennessee Local Development Authority (the "Authority" or "TLDA") met on Monday, December 7, at 3:00 p.m. in the Executive Conference Room, State Capitol, 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
Whitney Goetz, Proxy for the Honorable David Lillard, State Treasurer
Commissioner Larry Martin, Department of Finance and Administration

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

Mr. Pat Wolfe, Senate Appointee
Dr. Kenneth Moore, House 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
Mr. Wolfe—Present
Mr. Martin—Present
Ms. Goetz—Present
Mr. Hargett—Present
Mr. Wilson—Present

Mr. Hargett asked for a motion to approve the minutes of October 29, 2015. Mr. Wilson made a motion to approve the minutes, and Mr. Martin seconded the motion. Mr. Hargett performed a roll-call vote:

Dr. Moore—Yes
Mr. Wolfe—Yes
Mr. Wilson—Yes
Mr. Martin—Yes
Ms. Goetz—Yes
Mr. Hargett—Yes

The minutes were unanimously approved.

Mr. Hargett recognized Ms. Kayla Carr, Assistant Director of the Office of State and Local Finance (SLF) to present the request from West Knox Utility District (the District) to issue water and sewer revenue bonds in an amount not to exceed $9,995,000. Ms. Carr stated that pursuant to the State Revolving Fund (SRF) loan agreement, the District is required to seek approval from the TLDA to issue additional debt payable from the revenues of the system. Ms. Carr stated that the District had submitted the required documents to staff and based on staff's review, the District met the 1.20 times debt service coverage requirement. Mr. Wilson asked about the lien position of the debt to the SRF debt. Ms. Carr responded the SRF debt would have priority to the new debt. There was no further discussion.

Mr. Hargett made a motion to approve the request, and Mr. Martin seconded the motion. Mr. Hargett performed a roll-call vote:

Ms. Goetz—Yes
Mr. Martin—Yes
Mr. Wilson—Yes
Dr. Moore—Yes
Mr. Wolfe—Yes
Mr. Hargett—Yes

The motion was unanimously approved.

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. Sherwin Smith, Manager of the SRF loan program to present the requests. Mr. Smith first presented the unobligated fund balance. He stated the balance was $50,800,200 as of October 29, 2015. Upon approval of the loan requests to be presented, the funds available for loan obligations would decrease to $46,333,700. He then described the loan requests:

- Warren County Utility District (DW4 2015-158)—Requesting $2,500,000 ($1,875,000 loan; $625,000 principal forgiveness) for water treatment plant improvements (construction of new raw water intake, pump station, and control building; recommended interest rate of 0.95% based on the Ability to Pay Index (ATPI).
- Carthage (DG3 2016-169)—Requesting $374,500 ($280,875 loan; $93,625 principal forgiveness) for green-water meter replacement; recommended interest rate of 1.44% based on the ATPI.
- Carthage (DW4 2016-170)—Requesting $1,592,000 ($1,194,000 loan; $398,000 principal forgiveness) for water treatment system improvements; recommended interest rate of 1.44% based on the ATPI.

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

Ms. Goetz—Yes
Mr. Hargett—Yes
Mr. Martin—Yes
Mr. Wilson—Yes
Dr. Moore—Yes
Mr. Wolfe—Yes

The motion passed unanimously.

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

Approved on this 10th day of March, 2016.

Respectfully submitted,

Sandra Thompson

Sandra Thompson
Assistant Secretary