TENNESSEE LOCAL DEVELOPMENT AUTHORITY
February 10, 2017

The Tennessee Local Development Authority (the "Authority" or "TLDA") met on Friday, February 10, 2017, at 10:15 a.m. in the State Capitol, Executive Conference Room, Nashville, Tennessee. The Honorable Tre Hargett, Secretary of State, was present and presided over the meeting.

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 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 members were absent:

The Honorable Bill Haslam, Governor
Dr. Kenneth Moore, House Appointee

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

Mr. Hargett asked for a motion to approve the minutes of the November 29, 2016, TLDA meeting. Mr. Wilson made a motion to approve the minutes, and Mr. Martin seconded the motion. Mr. Hargett performed a roll-call vote:

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

The minutes were unanimously approved.

Mr. Wilson asked Mr. Sherwin Smith, Director of the Tennessee Department of Environment and Conservation (TDEC) SRF program to present the requests for Drinking Water State Revolving Fund (SRF) loans. Mr. Smith introduced Ms. Felicia Freeman, Senior Engineer with TDEC and stated she would present the loan requests. Ms. Freeman first presented the unobligated fund balance report. She stated the balance was $49,954,798 as of November 29, 2016. An early payoff of a loan increased the balance by $37,538. Upon approval of the loan requests to be presented totaling $2,248,150, the funds available for loan obligations would decrease to $47,744,186.

Mr. Wilson asked if a request had been made in the proposed budget for additional money for the Drinking Water program. Mr. Smith stated that TDEC was currently working on completing the priority ranking lists and the intended use plan. TDEC will hold a public meeting, as required, to request the FY17 federal capitalization grant. Mr. Smith also stated that TDEC would be presenting the priority ranking lists to the TLDA at a future meeting. Mr. Hargett asked Mr. Smith about state funds being requested. Mr. Smith replied that the Commissioner of TDEC would be requesting additional matching funds for this cycle in order to match more federal dollars.

Ms. Freeman then described the loan requests:

- Castalian Springs-Bethpage Water Utility District (DW5 2017-190)—Requesting $1,245,980 ($934,485 (75%) loan; $311,495 (25%) principal forgiveness) for replacement of approximately 55,500 linear feet (LF) of old water lines and the addition of approximately 640 automatic meter reading (AMR) transmitters and associated software; recommended interest rate of 0.54% based on the Ability to Pay Index (ATPI).
- Castalian Springs-Bethpage Water Utility District (DWF 2016-174)—Requesting $354,020 for replacement of approximately 55,500 LF of old water lines and the addition of approximately 640 AMR transmitters and associated software; recommended interest rate of 0.54% based on the ATPI.
- Gainesboro (DG5 2016-183)—Requesting $648,150 ($486,112 (75%) loan; $162,038 (25%) principal forgiveness) for "green" water meters and waterline replacements (Replace approximately 6,000 LF of waterlines, approximately 13,130 LF of service lines, 375 meters and 4 zone flow meters); recommended interest rate of 0.69% based on the ATPI.

Mr. Wilson made a motion to approve the loans, and Mr. Hargett seconded the motion. Mr. Hargett preformed a roll-call vote:

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

The motion was unanimously approved.

Hearing no other business. Mr. Hargett asked for a motion to adjourn. Mr. Wilson made a motion, and Mr. Martin seconded the motion. Mr. Hargett performed a roll-call vote:

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

The meeting was adjourned.

Approved on this 21st day of March 2017.

Respectfully submitted,

Sandra Thompson

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Assistant Secretary