



TENNESSEE LOCAL DEVELOPMENT AUTHORITY
SEPTEMBER 19, 2019
AGENDA

1. Call Meeting to Order
2. Approval of minutes from the TLDA meeting of June 27, 2019
3. Report on the notification from Bluff City submitted to comply with TLDA SRF Policy and Guidance for Borrowers
4. Request from the Poplar Grove Utility District (District) to issue Revenue Bonds in an amount not to exceed \$1,050,000 subordinate to its existing SRF loan
5. Request from the City of Oak Ridge to issue Revenue Bonds in an amount not to exceed \$23,850,745 on parity with its SRF loans
6. Request from the Hamilton County Water and Wastewater Treatment Authority (HCWWTA) to issue the following bonds in an amount not to exceed:
 - a) \$20,000,000 Short-Term Revenue Bonds, Series 2019, on parity with its outstanding SRF loan agreements; and
 - b) \$20,000,000 Revenue Bonds, Series 2022, with a senior lien position to its outstanding SRF loan agreements, the proceeds of which will be used to repay the short-term bonds when they are due and payable in 2022. (This request for approval is three years in advance of the HCWWTA's planned issuance of the bonds.)
7. Report on CWSRF unobligated balance
8. Consider for approval the following DWSRF loan:

	SRF Base Loan	Principal Forgiveness	Total Request	Interest Rate
Smith Utility District, DWF 2019-219	\$ 85,000	\$ -	\$ 85,000	0.49%

9. Report on SRF priority ranking lists
10. Adjourn

TENNESSEE LOCAL DEVELOPMENT AUTHORITY

June 27, 2019

The Tennessee Local Development Authority (the Authority or TLDA) met on Thursday, June 27, 2019, at 11:35 a.m. in House Hearing Room II, 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:

William Wood, Proxy for the Honorable Justin Wilson, Comptroller of the Treasury
The Honorable David Lillard, State Treasurer
Angela Scott, Proxy for Commissioner Stuart McWhorter, 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 included in the meeting notice:

Mr. Pat Wolfe, Senate Appointee

The following member was absent:

The Honorable Bill Lee, Governor

Recognizing a physical quorum present, Mr. Hargett called the meeting to order, and asked Ms. Sandi Thompson, TLDA Assistant Secretary and the Director of the Office of State and Local Finance (OSLF) to perform a roll call:

Mr. Wolfe—Present
Dr. Moore—Present
Ms. Scott—Present
Mr. Hargett—Present
Mr. Lillard—Present
Mr. Wood—Present

Mr. Hargett asked for a motion to approve the minutes of the May 9, 2019 and June 13, 2019, TLDA meetings. Mr. Lillard made a motion to approve the minutes, and Ms. Scott seconded the motion. Ms. Thompson performed a roll-call vote:

Mr. Wolfe— Aye
Dr. Moore— Aye
Ms. Scott—Aye
Mr. Hargett—Aye
Mr. Lillard— Aye
Mr. Wood— Aye

The minutes were unanimously approved.

Mr. Hargett stated that the next item of business was consideration for approval of revisions to the TLDA Audit Committee Charter (Charter). He recognized Mr. Earle Pierce, Director of Internal Audit, Tennessee Department of Treasury, to present the request. Mr. Pierce said the Charter was revised to ensure it coordinates and complies with the Comptroller's guidelines for Audit Committee Charters, as well as best practices of the Institute of Internal Auditors. He stated that it was reviewed and approved at the TLDA Audit Committee meeting held earlier that day, and that an edited version of the Charter was included in the meeting packet for the TLDA's review and subsequent approval.

Mr. Hargett inquired if there were any questions or discussion. Hearing none, Mr. Lillard made a motion to approve, and Dr. Moore seconded the motion. Ms. Thompson performed a roll-call vote:

Mr. Wolfe— Aye
Dr. Moore— Aye
Ms. Scott—Aye
Mr. Hargett—Aye
Mr. Lillard— Aye
Mr. Wood— Aye

The motion was unanimously approved.

Mr. Hargett stated that the next item of business was submission of a revised letter from Benton and Decatur Counties. He recognized Ms. Thompson to present the letter. Ms. Thompson began by reminding the Authority of Benton and Decatur Counties' request letter presented at the May 9, 2019, TLDA meeting. She stated that in that letter, the Counties indicated they had outstanding loans with the United States Department of Agriculture (USDA) Rural Development, but after review, the OSLF determined that no USDA funds had been borrowed, and the Counties had only contemplated seeking that additional funding. She stated that the revised letter clarifies that information and was included with the meeting materials. Mr. Hargett commented that this was not an action item and was only for the TLDA's information. Ms. Thompson affirmed that was correct. Mr. Hargett then asked if there were any comments or questions regarding the letter. Hearing none, he continued with the agenda.

Mr. Hargett recognized Ms. Thompson to present a report on the notification submitted by the City of Paris to comply with TLDA SRF Policy and Guidance for Borrowers. Ms. Thompson stated that in order to comply with the policy and guidance for borrowers, the City of Paris submitted a letter to notify the TLDA that it was proposing to issue USDA bonds in an amount not to exceed \$2,795,000 subordinate to its SRF loans. She said the proceeds would be used to finance sewer system improvements and extensions. Mr. Hargett asked if there was any discussion. There was no discussion, and no action was required.

Mr. Hargett again recognized Ms. Thompson, who presented the report on the S&P Global Ratings for TLDA. Ms. Thompson stated that S&P Global Ratings surveils the TLDA program and periodically sends out rating reports. She noted that prior to the current report, the TLDA was rated AA+ Stable; however, since the number of program participants had dropped below ten, the new rating outlook would be reported as AA+ CreditWatch Negative. Mr. Hargett asked if there were any questions or comments about the report. No questions or comments were presented, and no action was required.

Mr. Hargett stated that the next item of business was the public hearing on and approval of the TLDA Debt Management Policy (DMP). He called upon Ms. Thompson to present the information. Ms. Thompson stated that the DMP was included in the meeting packet along with revisions proposed by staff. She said that these revisions were in response to changes made by the Securities and Exchange Commission (SEC) to Rule 15c2-12 (the Rule), effective February 27, 2019. She further stated that the Rule was designed to address fraud in the municipal securities market by enhancing transparency through requiring timely access to important information. Ms. Thompson continued by saying that the Rule added two events that would require disclosure, including incurrence of a financial obligation and events that reflect financial difficulties. She noted that the number of events increased from 14 to 16, and stated that the revisions to the policy could be found in section C, pages 14 and 15. Mr. Hargett stated that the blue-line document (DMP) was available in the meeting packet and inquired if there was any discussion. Dr. Moore responded by asking Ms. Thompson if the Tax Reform Act eliminated advanced refunding of bonds (page 5). Ms. Thompson responded by saying that the only advanced refunding disallowed under the new tax reform was tax exempt. Taxable advanced refunding was allowed.

Mr. Hargett asked if there were any further questions. Hearing none, he moved approval, and Mr. Lillard seconded the motion. Ms. Thompson performed a roll-call vote:

Mr. Wolfe— Aye
Dr. Moore— Aye
Ms. Scott—Aye
Mr. Hargett—Aye

Mr. Lillard— Aye
Mr. Wood— Aye

The motion was unanimously approved.

Mr. Hargett stated that the next item on the agenda was a report on awarding principal forgiveness on State Revolving Fund (SRF) loans. He recognized Ms. Leslie Gillespie-Marthaler, Director of SRF for the Tennessee Department of Environment and Conservation (TDEC) to present the report. Ms. Gillespie-Marthaler begin by saying that in accordance with Governor Lee's Executive Order No. 1, TDEC's SRF Loan Program would prioritize allocation of subsidy in the form of principal forgiveness and lower interest rates to communities identified as economically disadvantaged. The allocation of this subsidy would be based on the Ability to Pay Index (ATPI), which had been developed by the University of Tennessee Institute of Agriculture. She explained that the ATPI was a socioeconomic database that TDEC was required to use by the Water Resources Reform and Development Act of 2014, and that it helps with decisions regarding determination of interest rates, allocation of subsidy, and to identify options that would benefit communities that needed it most. Ms. Gillespie-Marthaler noted that TDEC would also be working closely with the Comptroller's utilities staff to ensure it was reaching those communities as well. In addition to this, she stated that subsidy may also be awarded to disadvantaged communities for green projects that meet eligibility requirements for EPA SRF Green Project Reserve, as well as other in-kind projects that serve broader State interests. She continued by saying that SRF would pilot a small number of these projects each fiscal year for small and disadvantaged communities willing to provide in-kind contributions and willing to undergo additional monitoring to determine the benefit of such projects to SRF and the State. Ms. Gillespie-Marthaler said that along with the additional monitoring, the projects would be subject to (TDEC's) internal audit to ensure funds were used appropriately. She also said that communities would sign a memorandum of agreement with SRF which specifies the scope of additional work and the benefit it provides to the public of Tennessee. Referring to the graphs provided in the meeting packet, she reported that the proportional allocation of principal forgiveness on an annual basis would likely remain consistent with past years and not exceed the trends shown in figures 1 and 2. She stated that TDEC's CW program would be required to provide a 10% minimum subsidy, and although no minimum subsidy was required for DW, TDEC had historically provided 10% for that program too. She further stated that this effort would start with the 2018 allocations, and that TDEC would be very cognizant to its revolving base and would continue to manage and maintain it in a sustainable fashion. She stated that TDEC would also provide updates to the TLDA within this year and further stated that it would be using cash flow modeling and financial perspective forecasting to ensure it was meeting mandates in order to manage resources in the best possible way. Mr. Hargett inquired if there were any questions. There were no questions or comments. No action required.

Mr. Hargett stated that the next item on the agenda was consideration of approval for a Clean Water State Revolving Fund (CWSRF) loan. He asked Ms. Gillespie-Marthaler to present the loan request. Ms. Gillespie-Marthaler first presented the unobligated fund balance. She stated the balance was \$51,565,820 as of March 8, 2019. The balance increased a total of \$42,809,917 due to a transfer of funds from the DWSRF to the CWSRF which brought the unobligated balance to \$94,375,737 as of May 9, 2019. Upon approval of the loan request to be presented totaling \$1,771,000, the funds available for loan obligations would be \$92,604,737. She then described the CWSRF loan request.

- **Cleveland (CW7 2019-431)** Requesting \$1,771,000 (\$1,593,900 (90%) loan; \$177,100 (10%) principal forgiveness) for a collection system expansion (The proposed project would consist of the installation of approximately 8,900 linear feet of sanitary sewer line within the Durkee Road/Benton Pike annexation area. Installation of this sewer line would eliminate the use of septic tanks in the area; recommended interest rate of 1.37% based on the Ability to Pay Index (ATPI); Priority ranking 18 of 50 (FY 2016).

Mr. Hargett made a motion to approve the loan, and Mr. Lillard seconded the motion. Ms. Thompson performed a roll-call vote:

Mr. Wolfe— Aye
Dr. Moore— Aye
Ms. Scott—Aye
Mr. Hargett—Aye
Mr. Lillard— Aye
Mr. Wood— Aye

The motion was unanimously approved.

Ms. Gillespie-Marthaler then presented the request for a DWSRF loan. She first presented the unobligated fund balance. She stated the balance was \$42,481,612 as of May 9, 2019. Upon approval of the loan request to be presented totaling \$325,000, the funds available for loan obligations would be \$42,156,612. She then described the loan request:

- **Bell Buckle (DW7 2019-218)** Requesting \$325,000 (\$0.00 (0%) loan; \$325,000 (100%) principal forgiveness) for a Main Street waterline replacement project (along State Hwy 269); recommended interest rate of 0% based on ATPI. Priority ranking was 3 of 23 (FY 2017).

Ms. Gillespie-Marthaler stated that the project was currently underway. She continued by saying that the project had been delayed and that the borrower was somewhat constrained at this point as it worked with TDOT to finish. She noted that the waterline being replaced served 20% of the community's population, most of which were on a fixed income.

Mr. Hargett made a motion to approve the loan, and Dr. Moore seconded the motion. Ms. Thompson performed a roll-call vote:

Mr. Wolfe— Aye
Dr. Moore— Aye
Ms. Scott—Aye
Mr. Hargett—Aye
Mr. Lillard— Aye
Mr. Wood— Aye

The motion was unanimously approved.

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

Mr. Wolfe— Aye
Dr. Moore— Aye
Ms. Scott—Aye
Mr. Hargett—Aye
Mr. Lillard— Aye
Mr. Wood— Aye

The meeting was adjourned.

Approved on this _____ day of _____, 2019.

Respectfully submitted,

Sandra Thompson
Assistant Secretary



City of Bluff City

4391 Bluff City Highway • Bluff City, TN 37618
Telephone: (423) 538-7144 • Fax (423) 538-7138
Email: bluffcitycityof@aol.com

Mailing Address:
P.O. Box 70
Bluff City, Tennessee 37618



August 26, 2019

VIA E-MAIL (sandi.thompson@cot.tn.gov)

Ms. Sandra Thompson, Assistant Secretary
Tennessee Local Development Authority
Cordell Hull Building
425 Fifth Avenue North
Nashville, Tennessee 37243

RE: Town of Bluff City, Tennessee (the "Town") – Water and Sewer Revenue and Tax Bond,
Series 2017 (the "Bond")

Dear Ms. Thompson:

The Town previously issued Bond Anticipation Notes in September 2018 in order to finance water and sewer system improvements and extensions. On September 10, 2019, the Town will issue the Bond to the United States Department of Agriculture in order to (a) finance the remaining costs of the project and (b) to refund the bond anticipation notes previously issued to finance the project. The Bond will be secured by a pledge of water and sewer revenues subordinate to the pledge of revenues in favor of the Town's 1999 State Revolving Fund Loan. Please consider this letter notice of the issuance of the Bond, as required by the TLDA's SRF Policy & Guidance for Borrowers.

Sincerely,


Irene Wells
Mayor of Bluff City

From: [Alicia West](#)
To: [Tammy Fields](#)
Subject: FW: Bond anticipation Note
Date: Thursday, August 29, 2019 1:24:00 PM

Pdf this and attach to the letter. Thanks!

From: Sharon Greene <sharongreencityrecorderbc@gmail.com>
Sent: Thursday, August 29, 2019 12:14 PM
To: Alicia West <Alicia.West@cot.tn.gov>
Subject: Bond anticipation Note

Good afternoon,

Proposed issuance \$1,182,000.00.

Sharon



JUSTIN P. WILSON
Comptroller

JASON E. MUMPOWER
Deputy Comptroller

August 22, 2019
Poplar Grove Utility District
Request for TLDA Approval of Additional Debt Issuance

The Poplar Grove Utility District (the "District") is requesting approval from the Tennessee Local Development Authority (TLDA) to issue revenue bonds subordinate to its outstanding State Revolving Fund (SRF) loan agreement dated March 26, 2014. Request for approval is required by provisions set forth in the State Revolving Fund (SRF) loan agreement and guidelines set forth in the *TLDA/SRF Policy and Guidance for Borrowers*. The proposed debt will be issued in an amount not to exceed \$1,050,000.

1. The requestor is a:

Utility District or Water/Wastewater Authority planning to issue Revenue Debt

Will the proposed debt be secured by revenues other than revenues of the water/wastewater system (e.g. electric, gas)? Yes No

Municipality (town/city/county) planning to issue:

General Obligation Debt

Revenue Debt – Will the proposed debt be secured by revenues other than revenues of the water/wastewater system (e.g. electric, gas)? Yes No

2. Lien Position:

The borrower is requesting to issue the revenue bonds in parity with its outstanding SRF loan(s).

The borrower is requesting to subordinate its outstanding SRF debt to the proposed debt issuance.

The borrower is not requesting a modification of lien position and the proposed debt will be issued subordinate to the SRF debt.

3. The purpose of the proposed debt issuance is:

Refunding

New Money

4. Description and Additional Information:

The Poplar Grove Utility District plans to issue an estimated \$1,050,000 Series 2019 Water Revenue Bonds [USDA Rural Development Loan Program], (the “Series 2019 Bonds”). The proceeds from the Series 2019 Bonds will be used to construct improvements and extensions to its water system. The USDA Rural Development Loan will be structured with an interest rate of 3.5% or less and payable in 480 equal consecutive monthly installments of principal and interest. The proposed annual debt service is \$48,888, with an interest rate of 3.5%.

5. The debt rating of the borrower is:

Please indicate N/R if not rated.

 A2 Moody’s

 AA Standard and Poor’s

 N/R Fitch

6. The following SRF loans are currently authorized/outstanding:

Loan Type	Loan Number	Loan Disbursements to Date (as of 6/30/2019)	Outstanding Loan Balance, if applicable (as of 7/31/2019)	Maximum Annual Debt Service (MADS)
SRF/Water	DG0 14-147	\$ 509,253	\$ 75,671	\$ 101,316
			Total	\$ 101,316

7. Compliance with SRF Loan Agreement:

- **Timely repayments [4. (a)]**

 X Yes No

- **Security Deposit (UDs and Authorities) [8.]**

Amount on deposit: \$101,316 (fully funded)

- **GAAP Accounting and Audited Annual Financial Statement Requirement [7.(g) and (m)(2)]**

The District has timely filed its audited financial statements with the Division of Local Government Audit through fiscal year ended June 30, 2018. The audit was filed within six months after the District's fiscal year end.

- **Sufficient Revenues [7.(k)]**

For the fiscal year ended June 30, 2018, the District reported operating income for the Water Fund of \$474,412 and a positive change in net position of \$345,192 in its audited financial statements. As reported on the cash flow statement, debt service payments for fiscal year 2018 were \$617,670 consisting of principal payments of \$469,465 and interest payments of \$148,205

The District reported \$1,078,601 in unrestricted cash and \$1,157,513 in cash restricted for operation and maintenance and debt service at June 30, 2018.

- **Debt Service Coverage Ratios [7.(l) and (m)(3) &(4)]**

The current and projected Debt Service Coverage Ratio meets or exceeds 1.2 times.

Yes No

If no, include a schedule of revised rates and fees. Included N/A

Most Recent Fiscal Year (m)(3):

The District's debt service coverage ratio was 1.79x for fiscal year 2018 and is estimated to be 1.70x for fiscal year 2019 (calculated by the District in its submission). The District has met the debt service coverage requirement for fiscal year 2018.

Next Three Fiscal Years After Debt Issuance (m)(4):

The District prepared forecasted debt service coverage ratios and projects that it will meet the debt service coverage requirement with estimated and projected debt service to net revenues ranging from 1.70x to 2.02x for fiscal years 2019 through 2023.

- **Is the entity currently under the jurisdiction of the Utility Management Review Board (UMRB) or the Water and Wastewater Financing Board (WWFB)? [7.(n)]**

Yes (Water Loss Financial Distress)

No

8. State-Shared Taxes (SST): (Towns, Cities, Counties): N/A

\$ _____ Received in prior fiscal year
\$ _____ Total Maximum Annual Debt Service (with SST pledge)*
\$ _____ Unobligated SSTs

* This amount only includes SRF debt service. The local government could have additional pledges against its state shared taxes.

9. Conclusion

Based upon our analysis, the District will have sufficient cash and revenues to meet its obligations. The District appears to meet TLDA's guidelines for approval to issue bonds with a subordinate lien position to its outstanding State Revolving Fund (SRF) loan agreement dated March 26, 2014.

Attachments:

Debt Service Coverage & Three-year Financial Projection

	Projected 2023	Projected 2022	Projected 2021	Budgeted 2020	Unaudited 2019	2018	2017	2016	2015	2014
Operating Revenue	\$ 3,278,181	\$ 3,182,700	\$ 3,090,000	\$ 3,000,000	\$ 3,031,045	\$ 3,001,049	\$ 2,921,306	\$ 2,705,082	\$ 2,518,280	\$ 2,558,187
Operating Expenses ¹	\$ 2,246,613	\$ 2,170,834	\$ 2,097,660	\$ 2,027,000	\$ 1,984,263	\$ 1,911,499	1,886,698	1,687,343	1,710,799	1,646,523
Net Operating income	\$ 1,031,568	\$ 1,011,866	\$ 992,340	\$ 973,000	\$ 1,046,783	\$ 1,089,550	\$ 1,034,608	\$ 1,017,739	\$ 807,481	\$ 911,664
Other income ²	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,574	8,970	-	35,765	-
Total net income	\$ 1,031,568	\$ 1,011,866	\$ 992,340	\$ 973,000	\$ 1,046,783	\$ 1,102,124	\$ 1,043,578	\$ 1,017,739	\$ 843,246	\$ 911,664
Annual debt service ³	\$ 510,111	\$ 521,661	\$ 507,461	\$ 592,069	\$ 616,827	\$ 616,016	\$ 629,116	\$ 525,325	\$ 527,675	\$ 529,850
Coverage	2.02	1.94	1.96	1.64	1.70	1.79	1.66	1.94	1.60	1.72
Max Debt Service including proposed 2019 Bonds	\$ 640,957									
Coverage	1.61	1.58	1.55	1.52	1.63	1.72	1.63	1.59	1.32	1.42

¹ Excludes depreciation, amortization, and interest. Includes other non-operating expenses.

² Excludes grant income and fees received for taps and line extensions in excess of cost.

³ Debt Service on Waterworks Revenue Refunding and Imp Bonds, Series 2001A (refunded), Waterworks Revenue Refunding an Imp Bonds, Series 2008 (refunded), Waterworks Revenue Bond, Series 2010, 2014 SRF loan, Waterworks Revenue Refunding Bonds, Series 2017A and 2017B

POPLAR GROVE UTILITY DISTRICT
14560 Highway 51 S
Tipton, TN 38071
(901) 837-0181

July 29, 2019

Via Email (sandi.thompson@cot.tn.gov)

Ms. Sandra Thompson, Assistant Secretary
Tennessee Local Development Authority
Cordell Hull Building
425 Fifth Avenue North
Nashville, TN 37243

Dear Ms. Thompson:

On behalf of the Poplar Grove Utility District of Tipton County (the "District"), I am submitting this request that the Tennessee Local Development Authority (the "TLDA") consent to the issuance of a proposed Series 2019 Water Revenue Bond (the "Series 2019 Bond") on a subordinate basis with the District's 2014 SRF Loan Agreement (the "SRF Loan Agreement").

The United States, acting through Rural Development, has offered to loan the District \$1,050,000 at a rate not greater than 3.50%, payable in 480 equal consecutive monthly installments of principal and interest. Annual debt service on the proposed loan is \$48,888.00. The District will use the proceeds of the loan to construct improvements and extensions to its water system.

Section 7(m) of the SRF Loan Agreement requires that, prior to the issuance of any additional debt, the District obtain the consent of the TLDA. Section 7(m) further requires the District to provide evidence of (i) the timely preparation of audited financial statement and (ii) requisite debt service coverage. To that end:

- Please find audited financial statements for the year ended December 31, 2018 attached as Exhibit A.
- The District's net revenues for the fiscal year ended December 31, 2018 provided at least 1.20x debt service coverage for all debt of the District. Debt service coverage was 1.79x. Assuming the issuance of the Series 2019 Bond, debt service coverage would have been 1.72x. (See Exhibit B for a detailed calculation.)
- The District does not anticipate any material change in net revenue collection in the next three years. Accordingly, debt service coverage in each of those three years is expected to be well in excess of 1.20x.

We can also confirm that the District is in compliance with the terms of the SRF Loan Agreement.

Should you have additional questions, please feel free to call or email me.

Respectfully yours,

A handwritten signature in blue ink, appearing to be the name of the sender, is written below the text "Respectfully yours,".

EXHIBIT A

AUDITED FINANCIALS FOR FISCAL YEAR 2018

<https://comptroller.tn.gov/content/dam/cot/la/advanced-search/2018/utilities/2499-2018-u-popgroud-rpt-cpa759-12-28-18.pdf>

EXHIBIT B

DEBT SERVICE COVERAGE

	Projected 2021	Budgeted 2020	Unaudited 2019	2018	2017	2016	2015	2014
Operating Revenue	\$ 3,090,000	\$ 3,000,000	\$ 3,031,045	\$ 3,001,049	\$ 2,921,306	\$ 2,705,082	\$ 2,518,280	\$ 2,558,187
Operating Expenses ¹	\$ 2,097,660	\$ 2,027,000	\$ 1,984,263	\$ 1,911,499	1,886,698	1,687,343	1,710,799	1,646,523
Net Operating income	\$ 992,340	\$ 973,000	\$ 1,046,783	\$ 1,089,550	\$ 1,034,608	\$ 1,017,739	\$ 807,481	\$ 911,664
Other income ²	\$ -	\$ -	\$ -	\$ 12,574	8,970	-	35,765	-
Total net income	\$ 992,340	\$ 973,000	\$ 1,046,783	\$ 1,102,124	\$ 1,043,578	\$ 1,017,739	\$ 843,246	\$ 911,664
Annual debt service ³	\$ 507,461	\$ 592,069	\$ 616,827	\$ 616,016	\$ 629,116	\$ 525,325	\$ 527,675	\$ 529,850
Coverage	1.96	1.64	1.70	1.79	1.66	1.94	1.60	1.72
Max Debt Service including proposed 2019 Bonds	\$ 640,957							
Coverage	1.55	1.52	1.63	1.72	1.63	1.59	1.32	1.42

¹ Excludes depreciation, amortization, and interest. Includes other non-operating expenses.

² Excludes grant income and fees received for taps and line extensions in excess of cost.

³ Debt Service on Waterworks Revenue Refunding and Imp Bonds, Series 2001A (refunded), Waterworks Revenue Refunding an Imp Bonds, Series 2008 (refunded), Waterworks Revenue Bond, Series 2010, 2014 SRF loan, Watworks Revenue Refunding Bonds, Series 2017A and 2017B



JUSTIN P. WILSON
Comptroller

JASON E. MUMPOWER
Deputy Comptroller

September 9, 2019
City of Oak Ridge
Request for TLDA Approval of Additional Debt Issuance

The City of Oak Ridge (the “City”) is requesting approval from the Tennessee Local Development Authority (TLDA) to issue revenue and tax bonds on parity with its six outstanding State Revolving Fund (SRF) loan agreements. Request for approval is required by provisions set forth in the State Revolving Fund (SRF) loan agreement and guidelines set forth in the *TLDA/SRF Policy and Guidance for Borrowers*. The proposed debt will be issued in the maximum principal amount of \$20,656,145 plus capitalized interest in an estimated amount \$510,000, subject to final approval pursuant to the requirements of the U.S. EPA Water Infrastructure Finance and Innovation Act (WIFIA) loan program. As a condition to participating in the WIFIA loan program the EPA is requiring the City to obtain the consent of TLDA for the lien on the revenues of the water and wastewater system that will secure the WIFIA Loan to be on parity lien with the liens on such revenues that secure the six existing SRF Loans.

The City’s request

1. The requestor is a:

Utility City or Water/Wastewater Authority planning to issue Revenue Debt

Will the proposed debt be secured by revenues other than revenues of the water/wastewater system (e.g. electric, gas)? Yes No

Municipality (town/city/county) planning to issue:

General Obligation Debt

Revenue Debt – Will the proposed debt be secured by revenues other than revenues of the water/wastewater system (e.g. electric, gas)? Yes No

2. Lien Position:

The borrower is requesting to issue the revenue bonds in parity with its outstanding SRF loan(s).

The borrower is requesting to subordinate its outstanding SRF debt to the proposed debt issuance.

The borrower is not requesting a modification of lien position and the proposed debt will be issued subordinate to the SRF debt.

3. The purpose of the proposed debt issuance is:

Refunding

New Money

4. Description and Additional Information:

The City of Oak Ridge plans to enter into an estimated \$21,164,110 Series 2021 Waterworks Revenue and Tax Bonds [EPA WIFIA Loan Program], (the “Series 2021 Bonds”). The proceeds from the Series 2021 Bonds will be used to replace the City’s water treatment plant that was constructed to support the federal government installation that eventually incorporated into the City. The City projects it will begin drawdowns from the WIFIA Loan Program in May 2021 and will capitalize any interest accruing during drawdown period that is projected to end October 2022. The draw amount is projected to be \$20,656,145 and the capitalized interest amount is estimated in the amount of \$510,000 and a not to exceed amount of \$3,194,600. The Series 2021 Bonds will be structured with an interest rate based on comparable U.S. Treasury rate. The proposed final maturity is June 2057 with annual debt service of \$949,235 per year. Projected total interest is \$11,770,668. The debt will be issued with both a revenue and general obligation security pledge.

5. The debt rating of the borrower is:

Please indicate N/R if not rated.

Aa2 Moody’s

AA+ Standard and Poor’s

N/R Fitch

6. The following SRF loans are currently authorized/outstanding:

Loan Type	Loan #	Loan Disbursements to Date	Outstanding Loan Balance, if applicable (as of 8/26/2019)	MADS*
Water	DWF 19-216	**	\$ -	\$ 675,811
Sewer	CW1 13-324	3,988,925.00	3,198,654.50	201,024
Sewer	SRF 13-325	12,683,578.00	10,983,530.00	708,504
Sewer	SRF 14-337	2,691,716.00	2,337,812.00	158,832
Sewer	CG4 17-356	1,726,975.00	1,606,086.75	111,754
Sewer	SRF 17-396	2,083,928.00	2,054,546.00	182,776
				<u>\$2,038,701</u>

*MADS is an estimate until final expenses have been determined

*The borrower pledges its unobligated state-shared taxes in an amount equal to MADS (Maximum Annual Debt Service)

** Loan approved amount was \$3,288,000.

7. Compliance with SRF Loan Agreement:

- **Timely repayments [4.(a)]**

Yes No

- **Security Deposit (UDs and Authorities) [8.]**

N/A

- **GAAP Accounting and Audited Annual Financial Statement Requirement [7.(g) and (m)(2)]**

The City has timely filed its audited financial statements with the Division of Local Government Audit through fiscal year ended June 30, 2018. The audit was filed within six months after the City’s fiscal year end.

- **Sufficient Revenues [7.(k)]**

For the fiscal year ended June 30, 2018, the City reported operating income for the Waterworks Fund of \$5,524,009 and a change in net position of \$3,017,096 in its audited financial statements. As reported on the cash flow statement, debt service payments for fiscal year 2018 were \$4,650,584 consisting of principal payments of \$2,696,459 and interest payments of \$1,681,125

As of the fiscal year ended June 30, 2018, the City reported \$8,664,286 in unrestricted cash and \$1,707,664 in cash restricted for operation and maintenance and debt service.

• **Debt Service Coverage Ratios** [7.(l) and (m)(3) &(4)]

The current and projected Debt Service Coverage Ratio meets or exceeds 1.2 times.

Yes No

If no, include a schedule of revised rates and fees. Included N/A

Most Recent Fiscal Year (m)(3):

The City’s debt service coverage ratio was 3.38x for fiscal year 2018 and is estimated to be 3.39x for fiscal year 2019 (calculated by the City in its submission). The City has met the debt service coverage requirement for fiscal year 2018.

Next Three Fiscal Years After Debt Issuance (m)(4):

The City prepared forecasted debt service coverage ratios and projects that it will meet the debt service coverage requirement with estimated and projected debt service to net revenues ranging from 1.48x to 3.31x for fiscal years 2020 through 2026.

• **Is the entity currently under the jurisdiction of the Utility Management Review Board (UMRB) or the Water and Wastewater Financing Board (WWFB)?** [7.(n)]

Yes (Water Loss Financial Distress)

No

8. State-Shared Taxes (SST): (Towns, Cities, Counties):

\$4,416,870	Received in prior fiscal year
<u>\$2,038,701</u>	Total Maximum Annual Debt Service (with SST pledge)*
\$2,378,169	Unobligated SSTs

* This amount only includes SRF debt service. The local government could have additional pledges against its state shared taxes.

9. Conclusion

Based upon our analysis, even though the City should have sufficient cash and revenues to meet its obligations, TLDA staff recommends that the WIFIA loan be issued subordinate to the current outstanding debt of the City (first in time, first in line) in accordance with TLDA/SRF Policy and Guidance. It is important to point out that historically, all federal USDA loans have been issued in this manner. No federal loan will be given a priority lien status over another federal loan, but rather, SRF, USDA and WIFIA will have a lien status based upon when the loan is issued.

Attachments:

Debt Service Coverage & Three-year Financial Projection



September 4, 2019

Via mail and email

Ms. Sandra W. Thompson, Assistant Secretary
Tennessee Local Development Authority
Cordell Hull Building
425 Fifth Avenue North, 4th Floor
Nashville, TN 37243-3400

Re: Request by City of Oak Ridge, Tennessee as to Parity Status with State Revolving Fund Loans of proposed loan from the United States Environmental Protection Agency

Dear Ms. Thompson:

On behalf of the City of Oak Ridge (the “City”), I am submitting this request to the Tennessee Local Development Authority (“TLDA”) for the issuance of certain indebtedness of the City described in this request on a parity of lien with the lien on the revenues of the water and wastewater system of the City securing certain State Revolving Fund loans that have been made by the TLDA to the City. This request is made pursuant to the TLDA’s State Revolving Fund Policy & Guidance for Borrowers (the “Guidelines”).

The City has six loans outstanding (the “Existing SRF Loans”) from the TLDA under TLDA’s State Revolving Fund (“SRF”) program. The Existing SRF Loans are listed on Attachment 1 to this request. The City administers its water and wastewater systems as a joint system from a financial perspective, and the revenues of the water and wastewater systems are deposited in the same designated City fund. Therefore, the Existing SRF Loans are secured by the revenues of both the water and wastewater system.

The City’s only water treatment plant was constructed during World War II as part of the infrastructure needed to support the federal government reservation that eventually was incorporated into the City. That plant is now over seventy years old and is need of replacement. The total cost of the replacement plant is expected to be approximately \$45,000,000, and the City needs to borrow funds in order to finance the construction of this replacement plant. Specifically, the replacement plant is defined as follows: (a) design and construction of a new 16 mgd membrane water treatment plant and associated supporting facilities (including a new finished water pump station and finished water pipeline), (b) upgrades to the City’s existing raw water intake and pump station and (c) rehabilitation of existing finished water tanks (the “Replacement Plant”).

In order to finance a portion of the cost of the construction of the Replacement Plant, the City has applied for a loan from the United State Environmental Protection Agency (the "EPA") under a program commonly referred to as the "WIFIA" loan program. The City been recommended for approval for a loan under the WIFIA loan program (the "WIFIA Loan") in the maximum principal amount of \$20,656,145 plus capitalized interest in an estimated amount of \$510,000, subject to final approval pursuant to the requirements of the WIFIA loan program. The interest rate under the proposed WIFIA Loan is favorable to the City as the interest rate is just slightly more than a United States Treasury obligation with a comparable term.

The WIFIA Loan would be made pursuant to a WIFIA Loan Agreement between the EPA and the City. The WIFIA Loan will also be evidenced by a bond of the City as provided in the WIFIA Loan Agreement.

The WIFIA Loan would be payable from and secured by a pledge of a senior lien on the revenues of the water and wastewater systems of the City, subject only to certain prior lien obligations incurred pursuant to the City's General Obligation Bonds, Series 2011B (resolution no. 8-83-11) and the City's General Obligation Bonds, Series 2013 (resolution no. 6-46-2013) (together, the "Prior Lien Obligations"). The WIFIA Loan would also be secured by the full faith and credit of the City in the event the revenues of the water and wastewater system are insufficient to pay the debt service under the WIFIA Loan Agreement.

As a condition to making the WIFIA Loan, the EPA is requiring the City to obtain the consent of TLDA for the lien on the revenues of water and wastewater system that secure the WIFIA Loan to be a parity lien with the liens on such revenues that secure the Existing SRF Loans. The EPA requires such parity lien status pursuant to its statutory authorization, at least with respect to the Existing SRF Loan for the Replacement Plant, and has evaluated the WIFIA Loan to date on the assumption that its lien would be subject only to the Prior Lien Obligations. Any change in this assumption would require a reevaluation of the WIFIA Loan and potential delay to the Replacement Plant. The EPA has also indicated that it is willing for any future SRF loans secured by a lien on the revenues of the water and wastewater systems of the City to be secured on a parity of lien with the lien securing the Existing SRF Loans and the WIFIA Loan, as long as such future SRF loans meet the additional bonds test specified in the WIFIA Loan Agreement. Because the EPA is requiring parity lien status in order to make the WIFIA Loan, the City is requesting that parity lien status be approved pursuant to the Guidelines. The EPA's counsel has drafted a Consent and Agreement as to Parity Status (the "Consent") in order to effectuate the requested parity lien status, and the proposed form of that Consent is included with this request.

As you know, the Guidelines set forth a number of factors to be considered by TLDA in evaluating the City's request for parity status of the WIFIA Loan. The City believes that consideration of those factors supports approval of the City's request. For example, the City has a long history of compliance with the SRF loan program, has always made SRF loan payments in a timely manner and has filed the City's audits in a timely manner. The City also maintains high credit ratings for its general obligation debt – Aa2 from Moody's and AA+ from Standard & Poor's. Those ratings have been confirmed in connection with the issuance of the WIFIA Loan. In connection with applying for the WIFIA Loan, the City was required to project its debt service coverage for the term of the WIFIA Loan and those projections are show that that debt service coverage for the term of the WIFIA Loan, which coverage includes the Existing SRF Loans, is in excess of 1.10 times debt service. The City's unobligated state-shared taxes are also substantial,

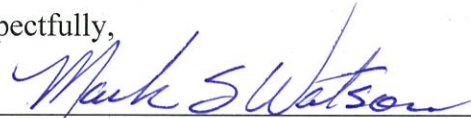
and therefore the risk of default to the TLDA is minimal. Please also note that the lien position of the Existing SRF Loans will not be diminished (i.e. subordinated); the Existing SRF Loans would just be secured on parity with the WIFIA Loan. As noted above, the EPA has also agreed that any future SRF loans to the City that meet the additional bonds test under the WIFIA Loan Agreement would be on parity, and not subordinate to, the WIFIA Loan. The City plans to request additional SRF loan financing for this project.

If possible, we would greatly appreciate your including our request on the agenda for TLDA's next meeting. Our specific request is as set forth in the Consent noted above. We understand that the TLDA's next scheduled meeting is on September 19th, and we are hopeful that we will be able to close on the WIFIA Loan on September 20th.

Should you have additional questions or require further information, please do not hesitate to contact me at 865-425-3550. You may also contact our Finance Director, Janice McGinnis (865-425-3617) or our bond counsel, Mark Mamantov of Bass, Berry & Sims (865-521-0365).

Thank you for considering the City's request.

Respectfully,



Dr. Mark Watson, City Manager

ATTACHMENT 1

EXISTING SRF LOANS

1. Revolving Fund Loan Agreement for Tax Revenue Entities by and among the City, TDEC and the Authority dated May 9, 2019 for an aggregate principal amount not to exceed \$3,288,000 (DWF 2019-216).
2. Revolving Fund Loan Agreement for Tax Revenue Entities by and among the City, TDEC and the Authority dated June 22, 2017 for an aggregate principal amount not to exceed \$3,100,000 (SRF 2017-396).
3. Revolving Fund Loan Agreement for Tax Revenue Entities by and among the City, TDEC and the Authority dated April 6, 2017 for an aggregate principal amount not to exceed \$2,000,000 (CG4 2017-356).
4. Revolving Fund Loan Agreement by and among the City, TDEC and the Authority dated May 6, 2014 for an aggregate principal amount not to exceed \$3,000,000 (SRF 2014-337).
5. Revolving Fund Loan Agreement by and among the City, TDEC and the Authority dated June 25, 2013 for an aggregate principal amount not to exceed \$14,000,000 (SRF 2013-325).
6. Revolving Fund Loan Agreement by and among the City, TDEC and the Authority dated June 25, 2013 for an aggregate principal amount not to exceed \$4,000,000 (CWI 2013-324).

CONSENT AND AGREEMENT
AS TO PARITY STATUS

THIS CONSENT AND AGREEMENT AS TO PARITY STATUS is made and entered into as of September [], 2019, between the Tennessee Local Development Authority (the "Authority") and the City of Oak Ridge, Tennessee (the "City").

The Authority, as a party to those certain state revolving fund loan agreements entered into by and among the Authority, the Tennessee Department of Environment and Conservation ("TDEC") and the City, as listed and described in Attachment 1 hereto (collectively, the "Existing SRF Loan Agreements" and the loans provided thereunder, the "Existing SRF Loans"), hereby:

- (1) agrees that, in respect of any lien of the State of Tennessee (the "State") in the revenues of the City's water and sewer system under the Existing SRF Loan Agreements, each Existing SRF Loan is secured on a parity with each other Existing SRF Loan;
- (2) consents to (a) the loan (the "WIFIA Loan") being made by the United States Environmental Protection Agency, acting by and through the Administrator of the United States Environmental Protection Agency (the "WIFIA Lender"), to the City in the principal amount of not to exceed \$20,656,145 (plus capitalized interest of up to \$3,194,600) pursuant to that certain WIFIA Loan Agreement to be entered into on or after the date hereof (the "WIFIA Loan Agreement"), by and between the WIFIA Lender and the City, and (b) the issuance by the City of that certain bond evidencing the WIFIA Loan (the "WIFIA Bond");
- (3) consents to the flow of funds required of the City pursuant to the WIFIA Loan Agreement, as summarized in Attachment 2 hereto; and
- (4) agrees that, upon execution of the WIFIA Loan Agreement and issuance of the WIFIA Bond, the WIFIA Bond shall be secured by a lien on the revenues of the City's water and sewer system on a parity with any lien of the State in respect of such revenues under the Existing SRF Loan Agreements and that the WIFIA Bond shall not be in any way subordinate to any security interest of the State in respect of such revenues under the Existing SRF Loan Agreements.

The foregoing consents and agreements serve to satisfy any required approval by the Authority of the WIFIA Bond under the Existing SRF Loan Agreements and the Authority's State Revolving Fund Policy & Guidance for Borrowers dated May 16, 2018.

The City hereby agrees to each of the foregoing consents and agreements of the Authority. In particular and without limitation, the City agrees that, in respect of any lien of the State in the revenues of the City's water and sewer system under the Existing SRF Loan Agreements, each Existing SRF Loan is secured on a parity with each other Existing SRF Loan.

[Signature page follows]

IN WITNESS WHEREOF, the parties hereto, intending to be legally bound and for good and valuable consideration, the receipt and sufficiency of which is hereby expressly acknowledged, have caused this CONSENT AND AGREEMENT AS TO PARITY STATUS to be executed and delivered by their respective duly authorized representatives as of the date first written above.

TENNESSEE LOCAL DEVELOPMENT
AUTHORITY

By: _____

Title: _____

CITY OF OAK RIDGE, TENNESSEE

By: _____

Title: _____

ATTACHMENT 1

EXISTING SRF LOAN AGREEMENTS

1. Revolving Fund Loan Agreement for Tax Revenue Entities by and among the City, TDEC and the Authority dated May 9, 2019 for an aggregate principal amount not to exceed \$3,288,000 (DWF 2019-216).
2. Revolving Fund Loan Agreement for Tax Revenue Entities by and among the City, TDEC and the Authority dated June 22, 2017 for an aggregate principal amount not to exceed \$3,100,000 (SRF 2017-396).
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6. Revolving Fund Loan Agreement by and among the City, TDEC and the Authority dated June 25, 2013 for an aggregate principal amount not to exceed \$4,000,000 (CWI 2013-324).

ATTACHMENT 2

FLOW OF FUNDS

All revenues of the City's water and sewer system (the "System Revenues") shall be deposited into the City's water and sewer enterprise fund (the "Waterworks Fund"). Amounts deposited in the Waterworks Fund shall be applied first, to the payment of operations and maintenance expenses and, thereafter, on a monthly basis, any remaining amount in the Waterworks Fund shall be applied in the following order of priority:

- (1) first, to the payment of any debt service due in respect of those certain prior obligations incurred pursuant to (a) that certain authorizing resolution of the City's City Council dated August 8, 2011 in respect of the City's General Obligation Bonds, Series 2011B (resolution no. 8-83-11) and (b) that certain authorizing resolution of the City's City Council dated June 10, 2013 in respect of the City's General Obligation Bonds, Series 2013 (resolution no. 6-46-2013);
- (2) second, to the payment of any debt service due in respect of the City's senior obligations (including, for clarity, the WIFIA Loan, the WIFIA Bond, the Existing SRF Loans, and any additional senior obligations issued or incurred after the date hereof that are permitted in accordance with the WIFIA Loan Agreement and the Existing SRF Loan Agreements) (the "Senior Obligations");
- (3) third, to the extent there is a debt service reserve fund established for any such Senior Obligations, to restore amounts in such debt service reserve fund to the required level;
- (4) fourth, (A) to the payment of any debt service due in respect of any of the City's subordinated obligations (including any obligations that are subordinated to the Senior Obligations in priority of payment, voting and security interest) and (B) to the payment of any principal and/or interest due in respect of any general obligations of the City payable from, but not secured by, the System Revenues; and
- (5) fifth, to a general account, the balance, if any, remaining thereafter for any purpose permitted by law but subject to any other requirements set forth in the WIFIA Loan Agreement and the Existing SRF Loan Agreements.

Prospective Borrower: City of Oak Ridge, Tennessee - Water System
Financing: Construction of A New Water Treatment Plant Facility
Debt Service

	Actual FY 2017	Actual FY 2018	Projected 2019	Design/Construction Period				1	2	3
				FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
WIFIA Debt										
Opening Balance - Principal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,890,270	\$ 20,151,677	\$ 20,794,328	\$ 20,416,937	\$ 20,029,168
Drawdowns	-	-	-	-	2,890,270	17,261,407	1,012,433	-	-	-
Repayments	-	-	-	-	-	-	369,782	377,391	387,769	398,433
Closing Balance - Principal	-	-	-	-	2,890,270	20,151,677	20,794,328	20,416,937	20,029,168	19,630,735
Interest Expensed	-	-	-	-	-	-	291,006	571,844	561,466	550,802
WIFIA Debt Service (Principal & Interest)	-	-	-	-	-	-	660,788	949,235	949,235	949,235
Project Debt - SRF Loan 1										
Opening Balance - Principal	\$ -	\$ -	\$ -	\$ -	\$ 1,848,000	\$ 3,288,000	\$ 2,645,560	\$ 1,995,628	\$ 1,338,116	\$ 672,936
Drawdowns	-	-	-	1,848,000	1,440,000	-	-	-	-	-
Repayments	-	-	-	-	-	642,440	649,932	657,512	665,180	672,936
Closing Balance - Principal	-	-	-	1,848,000	3,288,000	2,645,560	1,995,628	1,338,116	672,936	-
Interest Expensed	-	-	-	6,240	32,770	34,732	27,240	19,661	11,993	4,236
Project Senior Debt Service (Principal & Interest)	-	-	-	6,240	32,770	677,172	677,172	677,173	677,173	677,172
Project Debt - SRF Loan 2										
Opening Balance - Principal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,404,118	\$ 17,861,255	\$ 17,439,514	\$ 17,008,186	\$ 16,567,052
Drawdowns	-	-	-	-	3,404,118	14,457,137	-	-	-	-
Repayments	-	-	-	-	-	-	421,741	431,328	441,134	451,162
Closing Balance - Principal	-	-	-	-	3,404,118	17,861,255	17,439,514	17,008,186	16,567,052	16,115,890
Interest Expensed	-	-	-	-	3,273	261,433	397,547	387,959	378,153	368,125
Project Senior Debt Service (Principal & Interest)	-	-	-	-	3,273	261,433	819,288	819,287	819,287	819,287
Existing Debt										
Opening Balance - Principal	\$ 12,318,992	\$ 11,255,545	\$ 10,893,767	\$ 9,984,041	\$ 9,014,755	\$ 8,015,234	\$ 6,993,744	\$ 6,091,944	\$ 5,094,144	\$ 4,076,344
Drawdowns	-	500,000	-	-	-	-	-	-	-	-
Repayments	1,063,447	861,778	909,726	969,286	999,521	1,021,490	901,800	997,800	1,017,800	1,008,600
Closing Balance - Principal	11,255,545	10,893,767	9,984,041	9,014,755	8,015,234	6,993,744	6,091,944	5,094,144	4,076,344	3,067,744
Interest Expensed	316,990	330,965	327,239	345,987	312,069	277,058	243,540	215,622	183,590	149,762
Existing Debt Service (Principal & Interest)	1,380,437	1,192,743	1,236,965	1,315,273	1,311,590	1,298,548	1,145,340	1,213,422	1,201,390	1,158,362
Total Debt Service										
WIFIA Debt Service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 660,788	\$ 949,235	\$ 949,235	\$ 949,235
Project Debt - SRF Loan 1	-	-	-	6,240	32,770	677,172	677,172	677,173	677,173	677,172
Project Debt - SRF Loan 2	-	-	-	-	3,273	261,433	819,288	819,287	819,287	819,287
Existing Debt Service	1,380,437	1,192,743	1,236,965	1,315,273	1,311,590	1,298,548	1,145,340	1,213,422	1,201,390	1,158,362
Total Debt Service	1,380,437	1,192,743	1,236,965	1,321,513	1,347,633	2,237,153	3,302,588	3,659,117	3,647,085	3,604,056
Cash Flow Available for Debt Service	1,979,863	1,974,125	2,195,275	2,281,209	2,456,805	3,074,295	3,425,127	3,432,457	3,423,666	3,472,214
Debt Coverage Ratio Calculation:										
Net Operating Income (Operating Expenses Exclude Depreciation)	\$ 3,664,846	\$ 4,030,204	\$ 4,195,275	\$ 4,281,209	\$ 4,456,805	\$ 5,074,295	\$ 5,425,127	\$ 5,432,457	\$ 5,423,666	\$ 5,472,214
Debt Coverage Ratios:										
WIFIA Debt Service	NA	NA	NA	NA	NA	NA	8.21	5.72	5.71	5.76
Project Debt Service- SRF Loan 1	NA	NA	NA	686.09	136.00	7.49	8.01	8.02	8.01	8.08
Project Debt Debt Service- SRF Loan 2	NA	NA	NA	NA	1,361.69	19.41	6.62	6.63	6.62	6.68
Existing Debt Service	2.65	3.38	3.39	3.25	3.40	3.91	4.74	4.48	4.51	4.72
Total Debt Service	2.65	3.38	3.39	3.24	3.31	2.27	1.64	1.48	1.49	1.52

Customer Concentration Analysis - Water
DOE Contractual and Top 10 Retail Customers
Fiscal Year 2019

Customer	FY 2019 Water Sales Amount	% of Operational Revenues
FY 2019 Total Operational Revenues		\$ 9,985,513
US DEPARTMENT OF ENERGY -CONTRACT	\$ 2,218,452	22.2%
<u>Retail Customers</u>		
1 METHODIST MEDICAL CENTER	\$ 244,616	2.4%
2 CITY OF OAK RIDGE	161,308	1.6%
3 O R BOARD OF EDUCATION	105,054	1.1%
4 ROLLING HILLS APTS LLC	95,333	1.0%
5 UT-BATTELLE LLC	85,474	0.9%
6 UCOR LLC	85,082	0.9%
7 WOODLAND VIEW APTS LLC	79,917	0.8%
8 CENTENNIAL VLG APTS LLC	69,590	0.7%
9 TVA BULL RUN PROJECT	67,847	0.7%
10 NPP OAK RIDGE LLC	56,825	0.6%
Total Top 10 Retail Customers	\$ 1,051,046	10.5%

Customer Concentration Analysis - Sewer
Top 10 Retail Customers
Fiscal Year 2019

Customer	FY 2019 Sewer Sales Amount	% of Operational Revenues
FY 2019 Total Operational Revenues		\$ 12,525,802
1 US DEPARTMENT OF ENERGY *	\$ 2,125,812	17.0%
2 METHODIST MEDICAL CENTER	261,444	2.1%
3 UT-BATTELLE LLC	169,195	1.4%
4 ROLLING HILLS APTS LLC	155,689	1.2%
5 O R BOARD OF EDUCATION	138,834	1.1%
6 WOODLAND VIEW APTS LLC	134,216	1.1%
7 CENTENNIAL VLG APTS LLC	94,793	0.8%
8 FRANK CALLAGHAN TOWERS	80,654	0.6%
9 CEDARBROOK&WESTGATE APTS	78,811	0.6%
10 ADVANCED MEASUREMENT	73,844	0.6%
Total Top 10 Retail Customers	\$ 3,313,291	26.5%

* From Federal Reservation Only
Does Not Include Off Reservation Accounts



JUSTIN P. WILSON
Comptroller

JASON E. MUMPOWER
Deputy Comptroller

September 4, 2019
Hamilton County Water and Wastewater Treatment Authority
Request for TLDA Approval to Issue Additional Debt

Executive Summary

The Hamilton County Water and Wastewater Treatment Authority (HCWWTA) is requesting approval from the TLDA to issue \$20,000,000 short-term bonds on parity with its outstanding SRF loans, to fund improvements to the HCWWTA's system related to a consent decree issued by the Environmental Protection Agency (EPA). The HCWWTA is also requesting approval to issue long-term bonds with a senior lien position to the outstanding SRF loans to refinance the short-term bonds within the next three years.

As part of the EPA's consent decree, the HCWWTA will need approximately \$245 million to fund improvements over the next 20 years. This means the HCWWTA will seek to borrow from the SRF program or request approval to issue additional bonds over the next twenty years. During this time the HCWWTA will have to manage its user rate structure to maintain a rate sufficient to meet its operating expenses and pay debt service.

According to the *TLDA/SRF Policy and Guidance for Borrowers* the HCWWTA must obtain approval from the TLDA to issue the short-term bonds as well as the long-term bonds the proceeds of which will be used to repay the short-term bonds.

Staff recommends that the TLDA approve the issuance of the short-term bonds on parity with the outstanding SRF loans. In addition, staff recommends that the TLDA approve the issuance of the long-term bonds; however, if the HCWWTA determines that the long-term bonds are to be sold with a lien position other than subordinate to the outstanding SRF loans, it will need to request approval to issue the debt with a senior or parity lien position 90 days before the planned issuance of the bonds in 2022 to provide for financial data to be analyzed prior to the approval being granted.

**Hamilton County Water and Wastewater Treatment Authority
Request for TLDA Approval to Issue Additional Debt**

The Hamilton County Water and Wastewater Treatment Authority (the “HCWWTA”) is requesting approval from the Tennessee Local Development Authority (TLDA) to issue the following bonds:

- \$20,000,000 Short-Term Revenue Bonds, Series 2019, on parity with its outstanding State Revolving Fund (SRF) loan agreements (see chart below); and
- \$20,000,000 Revenue Bonds, Series 2022, with a senior lien position to its outstanding SRF loan agreements, the proceeds of which will be used to repay the short-term bonds when they are due and payable in 2022. (This request for approval is three years in advance of the HCWWTA’s planned issuance of the bonds.)

A formal request to the TLDA for approval is required by provisions set forth in the State Revolving Fund (SRF) loan agreement and guidelines set forth in the *TLDA/SRF Policy and Guidance for Borrowers*.

1. The requestor is a:

- Utility District or Water/Wastewater Authority planning to issue Revenue Debt
_____ Will the proposed debt be secured by revenues other than revenues of the water/wastewater system (e.g. electric, gas)? Yes No
- _____ Municipality (town/city/county) planning to issue:
_____ General Obligation Debt
_____ Revenue Debt – Will the proposed debt be secured by revenues other than revenues of the water/wastewater system (e.g. electric, gas)? Yes No

2. Lien Position:

- The borrower is requesting to issue the refunding bonds on parity with its outstanding SRF loan(s). (*Short-term Bonds*)
- The borrower is requesting to subordinate the lien position of its outstanding SRF debt to the lien position of its new debt issuance. (*Long-term Bonds*)
- _____ The borrower is not requesting a modification of lien position and the proposed debt will be issued subordinate to the SRF debt.

3. The purpose of the proposed debt issuance is:

- Refunding
 New Money (Short-term, Series 2019 Bonds)

4. Description and Additional Information:

The HCWWTA plans to issue an estimated \$20,000,000 Short-Term Revenue Bonds, Series 2019, (the “Series 2019 Bonds”) with a final maturity in 2022. The proceeds of the Series 2019 Bonds will be used to begin improvements to the HCWWTA’s system to comply with a Consent Decree currently under negotiation with the EPA. The total amount of improvements mandated under the Consent Decree is estimated to cost \$245,000,000. In 2022 the HCWWTA plans to issue an estimated \$20,000,000 Revenue Bonds, Series 2022 (the “Series 2022 Bonds”) to refinance the Series 2019 Bonds. The HCWWTA plans to issue the Series 2019 Bonds on a parity lien with its currently outstanding SRF loans. The HCWWTA plans to publicly issue the Series 2022 Bonds with a senior lien position to the lien securing the currently outstanding SRF loans.

The HCWWTA plans to issue the Series 2022 Bonds on parity with its currently outstanding \$7,233,495 Revenue Refunding Bonds, Series 2011.

5. The debt rating of the borrower is:

Please indicate N/R if not rated.

- Moody’s
 Standard and Poor’s
 Fitch

(The HCWWTA maintains no current rating on its debt; however, it plans to seek a credit rating for the Series 2022 Bonds.)

6. The following SRF loans are currently authorized/outstanding:

Loan Type	Loan Number	Loan Disbursements to Date (as of 7/31/2019)	Outstanding Loan Balance, if applicable (as of 7/31/2019)	Maximum Annual Debt Service (MADS)
Sewer	CW0 12-298	\$3,933,164	\$2,736,907	\$185,496
Sewer	CG1 13-323	1,679,792	1,410,921	84,240

Sewer	SRF 17-393	2,696,347	2,696,347	433,040
Sewer	SRF 18-413	991,897	991,897	318,546
Sewer	CW7 19-424*	-	-	169,331
Sewer	SRF 19-425**	-	-	155,157
			Total	\$1,345,810

*The CW7 19-424 loan approval amount is \$3,000,000.

**The SRF 19-425 loan approval amount is \$2,474,000.

The HCWWTA has interlocal agreements with the cities of Red Bank and Collegedale to repay:

- 100% of the Red Bank SRF Loan (SRF 97-108) \$561,801 outstanding at 7/31/2019; and
- A portion of the Collegedale SRF Loan (SRF 98-114) \$54,777 outstanding at 7/31/2019.

(There is no requirement for a security deposit for these two loans, but each city has pledged its state-shared taxes.)

7. Compliance with SRF Loan Agreement:

a. Timely repayments [4.(a)]

Yes No

b. Security Deposit (UDs and Authorities) [8.]

Yes No

Amount on deposit: \$1,190,653 (The security deposit for loan agreement SRF 19-425 was not required to be funded as of 7/31/2019.)

c. GAAP Accounting and Audited Annual Financial Statement Requirement [7.(g) and (m)(2)]

Yes No

The HCWWTA filed its audited financial statements for the fiscal year ended June 30, 2018, with the Division of Local Government Audit within six months after the HCWWTA's fiscal year end.

d. Sufficient Revenues [7.(k)]

Yes No

For the fiscal year ended June 30, 2018, the HCWWTA's financial statements reflected operating income of \$3,864,280, and a positive change in net position of \$11,204,817. The HCWWTA's statement of cash flows reflected debt service payments of \$1,773,146, consisting of principal payments of \$1,384,751 and interest payments of \$388,395.

The HCWWTA reported \$13,219,707 in unrestricted cash and \$9,341,531 in restricted cash at June 30, 2018.

e. Debt Service Coverage Ratios [7.(l) and (m)(4)]

The current and projected Debt Service Coverage Ratio is equal to or exceeds 1.2 times.

Yes No

If no, include a schedule of revised rates and fees. Included N/A

Most Recent Fiscal Year (m)(3):

The HCWWTA's debt service coverage ratio was 2.38x for fiscal year 2019 and is estimated to be 1.96x for fiscal year 2020 (as projected by the HCWWTA). The HCWWTA has met the debt service coverage requirement for fiscal year 2019.

Next Three Fiscal Years After Debt Issuance (m)(4):

The HCWWTA projects that it will meet the debt service coverage requirement with estimated debt service to net revenues ranging from 2.88x to 3.54x for fiscal years 2021 through 2023.

f. Is the entity currently under the jurisdiction of the Utility Management Review Board (UMRB) or the Water and Wastewater Financing Board (WWFB)? [7.(n)]

Yes No

If yes, reason for referral: Water Loss Financial Distress N/A

If the reason is for financial distress, include a schedule of revised rates and fees along with a copy of the corrective action order from the respective board. Included N/A

8. State-Shared Taxes (SST): (Towns, Cities, Counties): N/A

\$ _____ Received in prior fiscal year
\$ _____ Total Maximum Annual Debt Service
\$ _____ Unobligated SSTs

9. Conclusion

\$20,000,000 Short-Term Revenue Bonds, Series 2019 (the “Series 2019 Bonds”)

Based on our analysis, it appears the HCWWTA will have sufficient cash and revenues to meet its obligations which will include the short-term Revenue Bonds, Series 2019. The HCWWTA appears to meet TLDA’s guidelines for approval to issue the Series 2019 Bonds on a parity lien with its outstanding State Revolving Fund (SRF) loan agreements.

\$20,000,000 Revenue Bonds, Series 2022 (the “Series 2022 Bonds”)

The Series 2022 Bonds will be issued to retire the short-term Series 2019 Bonds, and based upon our analysis, it appears the HCWWTA will have sufficient cash and revenues to meet its obligations which will include the Series 2022 Bonds. However, because the Series 2022 Bonds will not be issued for approximately three years, we recommend that the TLDA request the HCWWTA submit a new request for approval of the lien position of the Series 2022 Bonds 90 days prior to the sale date.

Attachments:

Debt Service Coverage Ratios



Development Resource Center
1250 Market Street, Suite 3050
Chattanooga, TN 37402
Tel: 423-209-7842
Fax: 423-209-7843

Michael C. Patrick
Executive Director

August 27, 2019

Ms. Sandra Thompson, Director
Office of State and Local Finance
State of Tennessee Comptroller of the Treasury
Cordell Hull Building
425 Fifth Avenue North
Nashville, Tennessee 37243-0274

Re: Hamilton County Water and Wastewater Treatment Authority – Request for Additional Debt and Lien Modification

Dear Ms. Thompson:

This letter serves as a request by the Hamilton County Water and Wastewater Treatment Authority (“WWTA” or the “Authority”) for authorization to issue additional debt supported by the Authority’s revenues. The Authority currently has eight (8) outstanding State Revolving Fund Loans (“SRF Loans”) as well as one series of outstanding revenue refunding bonds, summarized chronologically as follows:

Name	Year issued	Final maturity (FY)	Outstanding (as of 7/31/19)
Red Bank SRF Loan (SRF 97-108)	1997 ⁽¹⁾	2021	\$561,801.00
Collegedale SRF Loan (SRF 98-114)	1998 ⁽²⁾	2021	\$54,777.20
Revenue Refunding Bond Series 2011	2011	2026	\$7,223,494.59
2012 SLP Program SRF Loan (CW0 2012-298)	2012	2036	\$2,737,164.20
2013 SLP Program SRF Loan (CGI 2013-323)	2013	2038	\$1,410,984.47
SRF 2017-393	2017	TBD ⁽³⁾	\$2,696,347.00
SRF 2018-413	2017	TBD ⁽³⁾	\$991,897.00

2018 Lookout Mountain SRF Loan (2019-424)	2018	TBD ⁽³⁾	\$3,000,000.00 ⁽⁴⁾
2018 Lookout Mountain SRF Loan (2019-425)	2018	TBD ⁽³⁾	\$2,474,000.00 ⁽⁴⁾
Total			\$21,602,059.87

⁽¹⁾In 2003, the Authority entered into an inter-local agreement to assume the City of Red Bank’s SRF Loan obligation. The City is still liable for this loan in the event of a default.

⁽²⁾City of Collegedale, TN SRF Loan; however, the Authority has agreed to pay 56% of the SRF Loan. The City is still liable for this loan in the event of a default.

⁽³⁾TBD = Authorized loan still open. Less than full authorized amount currently borrowed, and final maturity unknown.

⁽⁴⁾No draws/reimbursements have been made and therefore the final loan amount and final maturity are unknown.

The Authority intends to begin construction of system improvements pursuant to the Consent Decree currently under negotiation with the EPA, which are estimated to cost \$245 million. In order to begin such construction, the Authority plans to obtain a short term financing from First Tennessee Bank in the form of a revenue bond (the “Short-Term FTN Financing”). The Authority plans to issue long-term, fixed rate revenue bonds in the future to refinance the Short-Term FTN Financing prior to its maturity date of September 30, 2022 (“Series [2022] Revenue Bonds”). Pursuant to the Tennessee Local Development Authority (the “TLDA”) State Revolving Fund Policy (the “Policy”), the Authority submits this request to (1) issue the Short-Term FTN Financing on a parity lien with the outstanding SRF Loans, and (2) issue the Series [2022] Revenue Bonds, which will refinance the Short-Term FTN Financing, with a lien on the Authority’s revenues that is senior to the lien securing the SRF Loans and on a parity with the lien securing the Authority’s outstanding Revenue Refunding Bond, Series 2011.

The parity lien position for the Short-Term FTN Financing will permit First Tennessee Bank and the TLDA to have the same claim over the Authority’s revenues. As provided below, granting this parity lien request will not impair the TLDA’s security under the SRF Loans. Not granting this parity lien request will make the issuance of the Short-Term FTN Financing significantly more expensive for the Authority and likely not financial feasible. Likewise, the Series [2022] Revenue Bonds will likely be the Authority’s first publicly offered issuance of revenue bonds. As part of the issuance of the Series [2022] Revenue Bonds, the Authority intends to obtain a credit rating. By issuing the Series [2022] Revenue Bonds as a senior lien, the Authority’s credit rating on such debt will be higher than if issued on a subordinate lien basis. The Authority’s financial advisor, PFM Financial Advisors, LLC indicated that a lower credit rating should result in higher interest rates compared to a higher credit rating.

Overview

Details on the Authority’s outstanding debt are listed below:

- **Red Bank (SRF 97-108)** – In 1997, the City of Red Bank procured a SRF Loan. The Authority entered into an Agreement with the City of Red Bank to accept the transfer of the City’s wastewater treatment facilities and to assume all outstanding debt obligations incurred to develop the facilities. The original principal amount of \$6,917,000 bears interest at

- 3.752%. The Authority makes monthly principal and interest payments through September 2020. The principal balance as of July 31, 2019 was \$561,801.00.
- **Collegedale (SRF 98-114)** – In 1998, the City of Collegedale procured a SRF Loan. The Authority is obligated under a Loan Agreement with the City to repay a portion of the Loan in monthly installments of principal and interest for 20 years. The Authority makes monthly principal and interest payments through July 2021. The Authority's share on this note totaled \$54,777.20 as of July 31, 2019.
 - **Revenue Refunding Bonds Series 2011** – On July 27, 2011, the Authority issued \$9,807,497 in principal amount of its Revenue Refunding Bond Series 2011 with an interest rate of 3.78% payable through August 2026. The net proceeds were used to pay \$6,745,900 of a note with First Tennessee Bank and advance refund \$3,005,000 of outstanding Series A-2-H Bonds. The principal balance as of July 31, 2019 was \$7,223,494.59.
 - **2012 SLP Program (CW0 2012-298)** – In 2012, the Authority finalized an agreement with TDEC and TLDA to finance the SLP program with a \$6,000,000 SRF Loan bearing interest at 1.54% with \$1,200,000 subject to principal forgiveness. The total amount borrowed out of the authorized amount was \$3,933,164 after and including principal forgiveness. Principal and interest are due monthly through April 2036. The principal balance as of July 31, 2019 was \$2,737,164.20.
 - **2013 SLP Program (CGI 2013-323)** – In 2013, the Authority finalized an agreement with TDEC and TLDA to finance the SLP program with a \$4,000,000 SRF Loan bearing interest at 1.10% with \$400,000 subject to principal forgiveness. The total amount borrowed out of the authorized amount was \$1,679,792 after and including principal forgiveness. The Authority makes monthly principal and interest payments through February 2038. The principal balance as of July 31, 2019 was \$1,410,984.47.
 - **SRF 2017-393** – In 2017, the Authority finalized an agreement with TDEC and TLDA to borrow \$7,310,000 bearing interest at 1.74%, with no principal forgiveness. Loan proceeds are to be used for the East Ridge Sewer Basin I/I Correction. As of July 31, 2019, \$2,696,347 has been drawn from the approved amount.
 - **SRF 2018-413** – In 2017, the Authority finalized an agreement with TDEC and TLDA to borrow \$1,560,000 bearing interest at 0.82%, with no principal forgiveness. Loan proceeds are to be used for wastewater facilities Project 17-307. As of July 31, 2019, \$991,897 has been drawn from the approved amount.
 - **2018 Lookout Mountain (2019-424 and 2019-425)** – In November 2018, the Authority was approved for two SRF Loans totaling \$5,474,000, bearing interest at 2.35%, to perform sanitary sewer investigation, design and rehabilitation services for sanitary sewer basins located in the Town of Lookout Mountain. There are two loans for this project, CW7 2019-424 for \$3,000,000 which includes \$300,000 principal forgiveness, and SRF 2019-425 for

\$2,474,000 with no principal forgiveness. As of July 31, 2019, there have been no funds drawn from the approved amounts.

Request for Parity and Future Senior Lien

If the parity request herein is not granted, despite the strength of the Authority’s financials, the Authority will have to pay significantly more in interest rate costs for its Short-Term FTN Financing. Similarly, the refinancing of the Short-Term FTN Financing with the Series [2022] Revenue Bonds without a senior lien on revenues will result in higher interest rate costs to be endured by the Authority.

SRF Policy Requirements

- 1) Compliance of the Borrower (the Authority) with its SRF Loan agreement(s) and covenants and representations set forth in the loan agreement;

Authority Response: The Authority, as the Borrower, is in compliance with its SRF Loan agreements and requests the TLDA and its staff confirm such compliance with the SRF Program.

- 2) Amount of authorized and outstanding SRF Loan program debt of the Borrower (the Authority);

Authority Response: As outlined above and below, the Authority has eight (8) approved SRF Loans.

SRF Loans Authorized with Outstanding Balances	Amount Authorized (NTE)	Principal Forgiveness	Amount Borrowed (incl. Prin. Forgive)	Amount Outstanding (July 31, 2019)
Red Bank SRF Loan (SRF 97-108)	\$6,917,000	0%	\$6,917,000	\$561,801.00
Collegedale SRF Loan (SRF 98-114)	\$439,233	0%	\$439,233	\$54,777.20
2012 SLP Program SRF Loan (CW0 2012-298)	\$6,000,000	20%	\$3,933,164	\$2,737,164.20
2013 SLP Program SRF Loan (CGI 2013-323)	\$4,000,000	10%	\$1,679,792	\$1,410,984.47
SRF 2017-393 ⁽¹⁾	\$7,310,000	0%	TBD	\$2,696,347.00
SRF 2018-413 ⁽¹⁾	\$1,560,000	0%	TBD	\$991,897.00
2018 Lookout Mountain SRF Loan (2019-424) ⁽¹⁾⁽²⁾	\$3,000,000	10%	TBD	\$0.00
2018 Lookout Mountain SRF Loan (2019-425) ⁽¹⁾⁽²⁾	\$2,474,000	0%	TBD	\$0.00

⁽¹⁾Loan still open – total amount borrowed out of authorized amount is still to be determined.

⁽²⁾No draws yet.

- 3) Borrower’s history of timely repayments of SRF loans;

Authority Response: The Authority, as the Borrower, has a history of timely repayments of its SRF Loans and requests the TLDA and its staff confirm such compliance with the SRF Program.

- 4) Borrower’s timely filing of financial statements with the Division of Local Government Audit, Tennessee Comptroller of the Treasury;

Authority Response: The Authority, as the Borrower, has timely filed its financial statements with the Division of Local Government Audit and requests the TLDA and its staff confirm such compliance with the Comptroller’s Office.

- 5) Purpose and amount of proposed debt issuance;

Authority Response: The Short-Term FTN Financing in the amount of \$20 million will fund the various projects associated with the Consent Decree:

	Estimated Project Cost	Project Expenditure Timing
Red Bank Sewer Upgrade Project	2,100,000	2019
Mountain View Forcemain Project	2,600,000	2020
Lee Highway Forcemain Project	3,000,000	2020
Soddy Daisy Industrial Forcemain Project	1,200,000	2020
Amos Road Forcemain Project	1,200,000	2020
Green Gap/Roy Lane Pump Station Upgrade Project	750,000	2020
East Ridge Gravity Forcemain Project	2,000,000	2021
Signal Mountain Connector Pump Station	6,000,000	2022
 Total	 18,850,000	

- 6) Borrower’s credit rating (if applicable);

Authority Response: The Authority’s water and wastewater system does not have an issuer rating; however, the Authority intends to apply for one or more ratings as part of its future long-term debt plans (ie. Series [2022] Revenue Bonds).

- 7) Current and pro-forma (projected) debt service coverage;

Authority Response: Please see attached based on Raftelis’ preliminary Operating Fund Cash Flow Forecast and estimated debt eservice associated with the Short-Term FTN Financing and Series [2022] Revenue Bonds.

- 8) Amount of unobligated state-shared taxes (if applicable);

Authority Response: Not applicable.

- 9) The system’s reliance on revenues generated from its largest user(s) as a percentage of total system revenues;

Authority Response: The Authority’s revenues are not heavily reliant on a single user for system revenues.

Financing Schedule

The resolution authorizing the issuance of the Short-Term FTN Financing will be presented to the Authority governing body on August 27, 2019 with a goal to close on the Short-Term FTN Financing by early October.

In Summary

As the Authority navigates through funding the Consent Decree, we will need to explore various ways to access capital. The lien modification requests included with the EPA herein are essential for the Authority to balance the use of the SRF Loan program and obtaining the necessary capital to fund the capital needs associated with the Consent Decree. Thank you for your consideration of this request. Please contact me if you have any questions.

Sincerely,



Michael C. Patrick
WWTa Executive Director
MPatrick@hamiltontn.gov
423-209-7842

CC: Ms. Peggy Eagle, *Hamilton County, TN – Senior Accountant*
Ms. Lauren Lowe, *PFM Financial Advisors LLC*
Mr. Tom Lauth, *Kutak Rock LLP*
Mr. Russ Miller, *Bass Berry & Sims PLC*

Hamilton County Water and Wastewater Treatment Authority Current and pro-forma (projected) debt service coverage						
Fiscal Year	Operating Revenue ⁽¹⁾	Operating Expenses ⁽¹⁾	Net Revenue Available for Debt Service: Operating Revenue less Operating Expenses	Existing Debt Service ⁽²⁾	Projected New Debt Service ⁽³⁾	Coverage (Net Revenues/ (Existing DS + Projected New DS))
<i>Preliminary (unaudited)</i> 2019	21,115,909	14,960,403	6,155,506	2,583,314	0	2.38 x
<i>Forecasted</i> 2020	23,465,651	17,422,710	6,042,941	2,582,483	500,000	1.96 x
<i>Forecasted</i> 2021	26,128,666	18,321,727	7,806,939	2,212,497	500,000	2.88 x
<i>Forecasted</i> 2022	28,719,790	19,642,830	9,076,960	2,062,873	500,000	3.54 x
<i>Forecasted</i> 2023	31,451,644	20,016,895	11,434,749	2,059,577	1,300,000	3.40 x

Source:

- (1) Operating Revenues and Expenses for FY 2019 are based on preliminary unaudited results and are subject to change. Operating Revenues and Expenses for FY 2020-FY2023 are based on an preliminary Operating Fund Cash Flow Forecast prepared by Raftelis in their Financial Plan and Rate Structure and are subject to change.
- (2) Existing DS is based on outstanding SRF Loans and revenue bonds as of August 2019. Several SRF Loans amortization schedules are not finalized and the estimated debt service provided by TLDA/SRF has been included.
- (3) Existing DS includes a Short-Term FTN Financing @ \$20 Million; Interest Rate at 2.50%; interest only for 3 years (FY 2020-2022) including a long-term refinancing of Series [2022] Debt Service: \$20 Million; Interest Rate of 5.00%; Level Debt Service (FY 2023-2052). Interest rates are estimated and considered to be conservative. The current interest rate estimate for the Short-Term FTN Financing is 2.27%.

DEPARTMENT OF ENVIRONMENT AND CONSERVATION
DIVISION OF WATER RESOURCES

Clean Water State Revolving Fund (CWSRF) Loan Program
Funds Available for Loan Obligation
September 19, 2019

Unobligated Balance as of June 27, 2019 **\$ 92,604,737**

Increases:

	<u>Loan Number</u>	<u>Amount</u>	
Memphis	SRF 2013-309	\$ 10,398,007	
			\$ 10,398,007

Unobligated Balance as of September 19, 2019 **\$ 103,002,744**

Decreases:

<u>Loan Number</u>	<u>Loan Amount</u>	
		\$ -

Remaining Funds Available for Loan Obligations **\$ 103,002,744**

DEPARTMENT OF ENVIRONMENT AND CONSERVATION
DIVISION OF WATER RESOURCES

**Drinking Water State Revolving Fund (DWSRF) Loan Program
Funds Available for Loan Obligation
September 19, 2019**

Unobligated Balance as of June 27, 2019			\$ 42,156,612
<u>Increases:</u>			\$ -
			<u>\$ -</u>
Unobligated Balance as of September 19, 2019			\$ 42,156,612
<u>Decreases:</u>	<u>Loan Number</u>	<u>Loan Amount</u>	
Smith Utility District	DWF 2019-219	\$ 85,000	
			<u>\$ 85,000</u>
Remaining Funds Available for Loan Obligations			<u><u>\$ 42,071,612</u></u>

FACT SHEET
September 19, 2019

Borrower: Smith Utility District
Project Number: DWF 2019-219
Requested SRF Funding: \$ 85,000
Term: 20 years
Interest Rate: 0.49% = (1.86 X 40%)-(0.25%)

Project:

New Water Storage Tank (Replace existing grant water storage tank with a new 300,000 gallon WST).

Total Project Cost:	\$ 1,018,000
Project Funding:	
SRF Loan Principal	\$ 85,000
Other Funds (DW6 2019-212)	\$ 933,000

County:	Smith County
Consulting Engineer:	Warren and Associates Engineering, PLLC
Priority Ranking List:	FY 2017
Priority Ranking:	6 of 23
Public Meeting:	09/05/2018

Financial Information:

Operating Revenues:	\$ 2,351,326
Current Rate:	\$ 36.95
Effective Rates, if applicable:	N/A
Residential User Charge:	5000 gal/month
Customer Base:	2,641
Audit Report Filed:	11/02/2018 (late)
Financial Sufficiency Review:	05/29/2019

The financial sufficiency review indicates that borrower rates and revenues are sufficient to be able to repay its SRF loan(s).

FACT SHEET
September 19, 2019

Additional Security

A security deposit equal to one year's maximum annual debt service is required to be deposited with the TLDA before any funds are disbursed to the borrower. The anticipated required security deposit for this loan is \$4,463.

ALBERT R. DICUS

Certified Public Accountant

Member: AICPA; TSCPA

***Telephone (931) 836-2205
or (931) 836-2248
Fax (931) 836-3529***

***P.O. Box 176
131 South Main Street
Sparta, Tennessee 38583***

June 10, 2019

Tennessee Local Development Authority
Office of State and Local Finance
Cordell Hull Building, 4th Floor
425 Fifth Avenue North
Nashville, Tennessee 37243
ATTN: Sandi Thompson

Sandi,

I have a contract to audit the Smith Utility District of Smith County, Tennessee, for the year ended December 31, 2018. Smith Utility District has borrowed money from the State Revolving Loan fund.

I have completed my fieldwork for Smith Utility District for the 2018 fiscal year. However, the district participates in the Tennessee Consolidated Retirement System pension plan and has adopted Governmental Accounting Standards Board Statement No. 68. As of the date of this letter, the information required by GASB No. 68 has not been released to the district.

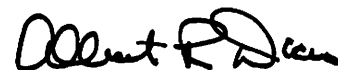
Historically, the information needed to complete the district's books is released in July. The opinion letters needed to issue an opinion on the financial statements has been released any time from September to November.

I understand there is no provision in the audit contract for filing reports later than six months after the fiscal year end. However, the retirement information needed to complete the audit and render an unmodified opinion is not available at this time. The reports will be issued as soon as all information has been made available. Aside from the TCRS information, no other circumstances for late filing exist.

I do not expect there to be a material and adverse effect on Smith Utility District's financial position upon release of the TCRS report.

I apologize for any inconvenience this may cause you and assure you that the reports will be issued as soon as possible.

Sincerely,



Albert R. Dicus

**REPRESENTATION OF
LOANS AND SECURITY DEPOSIT
FOR SMITH UTILITY DISTRICT**

As security for payments due under a SRF loan agreement, a local government pledges user fees and charges and further pledges such other additional available sources of revenues as are necessary to meet its obligations under a SRF agreement. Prior to the first disbursement on a loan, a local government is required to deposit with the TLDA an amount of funds equal to the maximum annual debt service (MADS) as additional security for such loan.

a. Prior SRF loans which have been funded or approved for which the Local Government has pledged its revenues are as follows:

Loan Type	Loan #	Base Loan*	Principal Forgiveness*	MADS**
SRF/Water	DWA 2009-094	\$180,000	\$120,000	\$10,368
SRF/Water	DW5 2016-182	\$1,098,375	\$366,125	\$57,888
SRF/Water	DWF 2017-194	\$160,787	\$0	\$8,664
SRF/Water	DW6 2019-212	\$746,400	\$186,600	\$40,356

*If applicable, the original approved amount is adjusted for decreases and approved increases

**MADS is an estimate until final expenses have been determined

The total required security deposit(s) for previously approved SRF loan(s) is \$117,276.

b. The local government is applying for the following State Revolving fund loan(s):

Loan Type	Loan #	Anticipated Interest Rate	Base Loan	Principal Forgiveness	Anticipated MADS
SRF/Water	DWF 2019-219	0.49%	\$85,000	\$0	\$4,463

The total anticipated security deposit(s) for the proposed loan(s) is \$4,463.

c. The total MADS (a+b) is \$121,739.

The Local government hereby represents the information presented above is accurate and understands that funding for the loan request(s) presented is contingent upon approval by the TLDA.

Duly signed by an authorized representative of the Local Government on this 7 day of August, 2019.

This is the Comptroller's certificate as required by TCA 4-31-108.

LOCAL GOVERNMENT

BY: _____

Mah Gan

**REQUIREMENT FOR REPORT ON DEBT OBLIGATION
(FORM CT-0253)**

Pursuant to Tenn. Code Ann. § 9-21-151, a Report on Debt Obligation (the "Report") must be prepared for all debt obligations issued or entered into by any public entity and filed with its governing body with a copy sent to the Office of State and Local Finance/Comptroller of the Treasury for the State of Tennessee. The purpose of the Report is to provide clear and concise information to members of the governing or legislative body that authorized and is responsible for the debt issued.

Public entities that fail to comply with the requirements of Tenn. Code Ann. § 9-21-151 are not permitted to enter into any further debt obligations until they have complied with the law. A State Revolving Fund (SRF) loan program applicant that is not in compliance with this law should file the Report as soon as possible and provide notification of filing to the SRF loan program so that they may proceed with the loan application. Instructions on how to file the Report are located in the "Debt" category for "Local Finance" on the website of the Tennessee Comptroller of the Treasury.

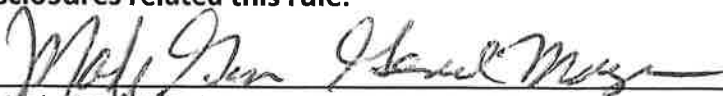
Municipal Securities Rulemaking Board (MSRB) – Required Disclosure

Local governments that issue municipal securities on or after February 27, 2019, should be aware that the Securities and Exchange Commission (SEC) adopted amendments to Rule 15c2-12 of the Securities Exchange Act that require reporting on material financial obligations that could impact an issuer's financial condition or security holder's rights. The amendments add two events to the list of events that must be included in any continuing disclosure agreement that is entered into after the compliance date:

- Incurrence of a financial obligation of the issuer or obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the issuer or obligated person, any of which affect security holders, if material; and
- Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of the financial obligation of the issuer or obligated person, any of which reflect financial difficulties.

To learn how to report these new disclosures please refer to the MSRB's Electronic Municipal Market Access EMMA® website (emma.msrb.org).

The applicant, Smith Utility District attests that it is in compliance with Tenn. Code Ann. § 9-21-151 for its debt obligations and understands that the Report is required to be filed once the SRF loan has been approved by the Tennessee Local Development Authority and the agreement has been executed by the borrower. The applicant further acknowledges that it may be responsible to perform continuing disclosure undertakings related to SEC Rule 15c2-12. Local governments should always consult bond counsel in order to obtain advice on appropriate disclosures related this rule.


Mack Gann, Smith Utility District General Manager

8-7-19
Date

CLEAN WATER STATE REVOLVING FUND

FY 2019 Priority Ranking List

Total Green
Requested
\$ 87,123,669

Total CWSRF \$ 337,477,687

COMPREHENSIVE LIST

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1	123.7	50	11,852	TN0026263	Caryville-Jacksboro Utilities Commission	Campbell	WWTP Improvements/Advanced Treatment (Headworks improvements, rehabilitate existing clarifiers, replace plug valves within the RAS and WAS valve pump and valve pit, additional aeration basin capacity, and modify the digester aeration piping)	\$ 1,118,000	\$ 1,118,000	\$ -	\$ -	Aug-19	Nov-20	212	II	Advanced	06010205
2	117.0	30	966	TN0021539	Alexandria	DeKalb	WWTP Improvements/Advanced Treatment (Modifications to the WWTP in order to operate in compliance with new permit limits) Planning and Design	\$ 50,000	\$ 1,168,000	\$ -	\$ -	NA	NA	212	II	Advanced	05130108
3	116.8	70	70,908	TN0028827	Franklin	Williamson	WWTP Expansion/Advanced Treatment (Expanding the existing WWTP from 12.0 MGD to 16.0 MGD to include new headworks, EQ basin, and UV disinfection system; modifying the biological nutrient system and denitrification filters; and biosolids and hydraulic improvements.)	\$ 32,500,000	\$ 33,668,000	\$ 55,000,000	\$ 55,000,000	Nov-18	Sep-20	212	II	Advanced	05130204
4	113.0	70	47,521	TN0020541	Smyrna	Rutherford	WWTP Expansion (Expanding the WWTP from 5.85 MGD to 9MGD to include advanced biological treatment, secondary clarification, and tertiary filtration; upgrades to the UV disinfection, aeration, and solids dewatering system; and administration/lab and SCADA upgrades.)	\$ 32,484,000	\$ 66,152,000	\$ 8,351,669	\$ 63,351,669	Jun-19	Sep-22	212	II	Advanced	05130203
5	112.3	70	65,211	TN0024813	Jackson Energy Authority	Madison	WWTP Improvements/Secondary Treatments (Improvements to the Biosolids Drying at the Miller Ave WWTP)	\$5,375,000	\$ 71,527,000	\$ 5,375,000	\$ 68,726,669	Dec-20	Apr-22	212	I	Secondary	08010205
6	111.2	80	167,674	TN0024210	Chattanooga	Hamilton	WWTP Improvements/Advanced Treatment (Moccasin Bend WWTP EQ-UNOX Improvements to include the installation of approximately 900 LF of conveyance piping)	\$ 4,000,000	\$ 75,527,000	\$ -	\$ 68,726,669	Mar-20	Aug-20	212	II	Advanced	06020001
7	111.1	70	6,623	TN0077836	Oakland	Fayette	Effluent Force Main Replacement (Replace the existing 12-inch diameter force main with a 16-inch diameter force main from the WWTP to the golf course)	\$ 1,285,000	\$ 76,812,000	\$ -	\$ 68,726,669	Feb-20	Oct-20	212	I	Secondary	08010209
8	108.3	50	1,608	TN0025054	Pikeville	Bledsoe	New WWTP/Advanced Treatment (Construction of a 0.68 MGD WWTP to replace the existing 0.254 MGD WWTP)	\$ 4,500,000	\$ 81,312,000	\$ -	\$ 68,726,669	Mar-21	Oct-22	212	II	Advanced	06020004
9	108.1	70	41,285	TN0024121	Cleveland	Bradley	WWTP Improvements/Advanced Treatment (Installation of a new chlorine scrubber and associated appurtenances at the Hiwassee River WWTP)	\$ 840,000	\$ 82,152,000	\$ -	\$ 68,726,669	Apr-20	Jan-21	212	II	Advanced	06020002
10	108.0	50	6,737	TN0021253	Church Hill	Hawkins	WWTP Improvements/Advanced Treatment (Upgrades to the recycle water pumping system and electrical/control system; and misc. improvements at the WWTP)	\$ 450,000	\$ 82,602,000	\$ 95,000	\$ 68,821,669	Dec-19	Dec-20	212	II	Advanced	06010104
11	45.0	30	966	TN0021539	Alexandria	DeKalb	Water Meter Replacement (Installation of AMR meters to replace all existing meters) Planning and Design	\$ 20,000	\$ 82,622,000	\$ 20,000	\$ 68,841,669	NA	NA	212	VI-C	N/A	05130108

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12	45.0	40	12,430	TN0078255	Lakeland	Shelby	New Pump Station/Interceptor (Replacing the existing Clear Creek Interceptor with a new interceptor and constructing a new Regional Pump Station and Oliver Creek Interceptor to divert wastewater currently flowing to the City of Memphis' Wastewater Collection System to the Lakeland Wastewater Treatment Plant)	\$ 15,000,000	\$ 97,622,000	\$ -	\$ 68,841,669	Jul-20	Jul-21	212	IV-B	N/A	08010209
13	45.0	50	9,474	SOP-98007	Atoka	Tipton	Collection System Expansion (Installation of sixty grinder pumps and approximately 14,000 LF of 1 1/4-inch, 1 1/2-inch, 2-inch, 3-inch, and 4-inch diameter PVC pipe in the Squired Grove Neighborhood)	\$ 400,000	\$ 98,022,000	\$ -	\$ 68,841,669	Jun-19	Jan-20	212	IV-A	N/A	08010100
14	45.0	50	14,176	TN0023515	Elizabethton	Carter	Collection System Expansion (Installation of approximately 20,950 LF of 8-inch diameter gravity sewer and 4-inch diameter force main; and the construction of a combination of conventional, simplex, and duplex grinder pump stations to provide sewer service in the Milligan Hwy Area.)	\$ 3,491,900	\$ 101,513,900	\$ -	\$ 68,841,669	Mar-20	Mar-21	212	IV-B	N/A	06010103
15	45.0	60	604	SOP-12022	Eagleville	Rutherford	Collection System Expansion (Expansion of the sewer collection system to include the installation of 250 STEP tanks and pumps and approximately 20,000 LF of 4-inch diameter PVC sewer lines to provide service to additional customers within the community.)	\$ 2,835,000	\$ 104,348,900	\$ -	\$ 68,841,669	Mar-20	Aug-21	212	IV-A	N/A	05130204
16	45.0	60	3,231	TN0061620	Oliver Springs	Anderson/Roane/Morgan	Water Loss Remediation - Planning and Design	\$500,000	\$ 104,848,900	\$ 500,000	\$ 69,341,669	Apr-19	Apr-20	212	VI-C	N/A	06010207
17	45.0	60	6,097	TN0023001	Erwin Utilities Authority	Unicoi	Water Meter Replacement (Installation of AMI meters and leak detection equipment throughout the service area.)	\$ 2,000,000	\$ 106,848,900	\$ 2,000,000	\$ 71,341,669	Jul-20	Dec-21	212	VI-C	N/A	06010108
18	45.0	60	18,655	TN0023469	Tullahoma	Coffee/Franklin	New Pump station/Force Main (Replacement of the existing Ovoca Road PS and the installation of approximately 10,000 LF of 12-inch diameter force main along Ovoca Road.)	\$ 1,470,000	\$ 108,318,900	\$ -	\$ 71,341,669	Mar-20	Dec-20	212	IV-B	N/A	06030003
19	45.0	70	6,623	TN0077836	Oakland	Fayette	New Pump Station and Force main (Construction of a new pumping station and the installation of approximately 14,000 LF of 10-inch diameter force main for the Hwy 64 corridor.)	\$ 2,046,000	\$ 110,364,900	\$ -	\$ 71,341,669	Feb-20	Oct-20	212	IV-B	N/A	08010209
20	45.0	70	65,211	TN0024813	Jackson Energy Authority	Madison	Water Meter Replacement (Phase I of the replacement of approximately 37,000 meters throughout the service system with AMR/AMI meters)	\$3,500,000	\$ 113,864,900	\$ 3,500,000	\$ 74,841,669	Sep-19	Sep-21	212	VI-C	N/A	08010205
21	45.0	80	63,152	TN0028789	Johnson City	Washington/Sullivan/ Carter	Pump Station Replacement (Construction of a new pump station and an emergency generator to replace the existing pump station located next to Ready Creek adjacent to Boring Chapel Road)	\$ 3,400,000	\$ 117,264,900	\$ 3,400,000	\$ 78,241,669	Sep-19	Sep-20	212	IV-B	N/A	06010102
22	45.0	80	63,152	TN0028789	Johnson City	Washington/Sullivan/ Carter	Sewer Interceptor Replacement (Installation of approximately 10,000 LF of new 30-inch diameter force main for the B-Lift Station.)	\$ 6,500,000	\$ 123,764,900	\$ -	\$ 78,241,669	Dec-19	Dec-20	212	IV-B	N/A	06010102
23	45.0	80	167,674	TN0024210	Chattanooga	Hamilton	New Force Main/Interceptor (Replacing approximately 2,200 LF of the 30-inch diameter Citico force main.)	\$ 5,000,000	\$ 128,764,900	\$ -	\$ 78,241,669	Mar-20	Aug-20	212	IV-B	N/A	06020001

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24	45.0	90	11,564	TN0024996	Crossville	Cumberland	New Pump Station/Force main (Construction of a new pump station and installation of approximately 13,000 LF of 4-inch diameter force main to divert backwash sludge flows from lagoons at Meadow Park WTP to the Crossville WWTP and provide sewer service to customers currently utilizing septic systems.)	\$ 953,000	\$ 129,717,900	\$ -	\$ 78,241,669	Oct-19	Apr-20	212	IV-B	N/A	06010208
25	45.0	90	113,993	SOP-18020	Water and Wastewater Authority of Wilson County	Wilson/Trousdale	Water Meter Replacement (Installation of approximately 7,800 AMI meters, leak detection equipment, and software integration of AMI, SCADA, GIS, and CIS; and implementation of a pilot pressure management area.)	\$ 3,000,000	\$ 132,717,900	\$ 2,500,000	\$ 80,741,669	Jun-19	Jun-21	212	VI-C	N/A	05130201
26	45.0	90	336,463	TN0024210 SOP-89044	Hamilton County Water & Wastewater Treatment Authority	Hamilton	Collection System Relocation (Abandonment of existing sewer line within the I-75 right-of-way and the installation of approximately 4,000 LF of 15-inch diameter sewer lines and 20 manholes in the East Ridge I-75 Sewer Basin)	\$ 3,210,000	\$ 135,927,900	\$ -	\$ 80,741,669	Jul-19	Dec-19	212	IV-A	N/A	06020001
27	40.0	60	16,440	TN0024961	Springfield	Robertson	Collection System Rehabilitation (Rehabilitation of approximately 5,000 LF of the Sulphur Fork Creek Interceptor; replacing approximately 8,000 LF of the Sulphur Fork Creek Interceptor; and stream bank stabilization along Beans Cave Creek.)	\$ 4,200,000	\$ 140,127,900	\$ -	\$ 80,741,669	Sep-19	Jun-20	212	III-B	N/A	05130206
28	30.0	20	1,194	TN0061841	Cornersville	Marshall	Storm water Conveyance Infrastructure (Installation of approximately 7,200 LF of curbs and gutters, culvert, and catch basins along Main Street for storm water management.)	\$ 300,000	\$ 140,427,900	\$ -	\$ 80,741,669	Jun-20	Nov-20	212	VI-A	N/A	06030004
29	30.0	20	1,477	TN0025488	Watertown	Wilson	I/I Correction (Rehabilitation of approximately 15,000 LF of sewer lines by method of CIPP or replacement and rehab existing manholes.)	\$ 2,300,000	\$ 142,727,900	\$ -	\$ 80,741,669	Aug-19	Aug-20	212	III-A	N/A	05130201
30	30.0	30	2,735	SOP-99006	Brighton	Tipton	Storm water Conveyance Infrastructure (Replacing the existing 36-inch diameter culvert under West Oaklawn Avenue; replacing drain pipes in the Woodlawn Plantation Subdivision with HDPE or reinforced concrete pipe; and rehabilitating associated failing inlets)	\$ 623,987	\$ 143,351,887	\$ -	\$ 80,741,669	Jul-19	Dec-19	212	VI-A	N/A	08010100
31	30.0	40	1,781	TN025127	Rocky Top	Anderson & Campbell	I/I Correction (Rehabilitation of approximately 50,000 LF of sewer lines by methods of CIPP, pipe bursting, and/or open cut; and manhole rehabilitation.)	\$ 3,000,000	\$ 146,351,887	\$ 2,500,000	\$ 83,241,669	Nov-19	Dec-20	212	III-A	N/A	06010207
32	30.0	40	9,036	TN0030899	Hartsville-Trousdale Water and Sewer Utility District	Trousdale	I/I Correction (Purchasing infiltration and inflow monitoring and inspection equipment and performing collection system point repairs)	\$ 1,000,000	\$ 147,351,887	\$ -	\$ 83,241,669	Jan-20	Dec-20	212	III-A	N/A	05130201
33	30.0	50	6,737	TN0021253	Church Hill	Hawkins	I/I Correction (Televising and rehabilitation of sewer lines and manholes in Sewer Basins 1, 3, and 4 of the wastewater collection system.)	\$ 750,000	\$ 148,101,887	\$ 750,000	\$ 83,991,669	Dec-19	Dec-20	212	III-A	N/A	06010104
34	30.0	50	6,737	TN0021253	Church Hill	Hawkins	Pump Station Improvements (Upgrades to the Holliston Mills PS, relocation of the Dorton PS, and misc. upgrades at the other 16 PS's in the collection system.)	\$ 850,000	\$ 148,951,887	\$ 340,000	\$ 84,331,669	Dec-19	Dec-20	212	III-B	N/A	06010104

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35	30.0	50	9,474	SOP-98007	Atoka	Tipton	Pump Station Improvements (Rehabilitation of the Main Street PS and installation of a backup generator and a bypass pump for the Kearn Lift Station)	\$ 220,000	\$ 149,171,887	\$ -	\$ 84,331,669	Jun-19	Jan-20	212	III-B	N/A	08010100
36	30.0	50	13,605	TN0023591	McMinnville	Warren	Collection System Rehabilitation/Replacement (Replacing approximately 1,300 LF 18-inch diameter PVC sewer line with 24-inch diameter DIP; and manhole rehabilitation.)	\$750,000	\$ 149,921,887	\$ -	\$ 84,331,669	Jan-20	Jan-21	212	III-B	N/A	05130107
37	30.0	50	29,330	TN0024155	Oak Ridge	Anderson/Roane	Collection System Rehabilitation (Rehabilitation of the sewer collection system Sewer in the southeastern portion of the City.)	\$ 1,900,000	\$ 151,821,887	\$ 1,900,000	\$ 86,231,669	Apr-20	Jan-21	212	III-B	N/A	06010207
38	30.0	50	29,330	TN0024155	Oak Ridge	Anderson/Roane	Pump Station Improvements (Evaluation of the necessary improvements/upgrades needed for the Emory Valley pump station.) Planning and Design	\$ 100,000	\$ 151,921,887	\$ -	\$ 86,231,669	Apr-20	Jan-21	212	III-B	N/A	06010207
39	30.0	50	646,889	TN0020729 TN0020711	Memphis	Shelby	Collection System Rehabilitation (Group 2 Relay to include replacing approximately 20,000LF of 8-inch to 12-inch diameter sewer lines and manhole rehabilitation.)	\$ 8,000,000	\$ 159,921,887	\$ -	\$ 86,231,669	Apr-19	Dec-20	212	III-B	N/A	08010100
40	30.0	50	646,889	TN0020729 TN0020711	Memphis	Shelby	I/I Correction (Group 2 CIPP to include pre-cleaning, rehabilitation of approximately 35,000 LF of 8-inch thru 24-inch diameter sewer lines by methods of CIPP and point repairs; and manhole rehabilitation.)	\$ 7,000,000	\$ 166,921,887	\$ -	\$ 86,231,669	Apr-19	Dec-20	212	III-A	N/A	08010100
41	30.0	50	646,889	TN0020729 TN0020711	Memphis	Shelby	I/I Correction (Group 3 CIPP to include pre-cleaning, rehabilitation of approximately 48,000 LF of 8-inch thru 36-inch diameter sewer lines by methods of CIPP and point repairs; and manhole rehabilitation.)	\$ 8,000,000	\$ 174,921,887	\$ -	\$ 86,231,669	Apr-19	Dec-20	212	III-A	N/A	08010100
42	30.0	60	3,490	TN0063771	Etowah Utilities	McMinn	I/I Correction (Evaluation and rehabilitation of Etowah's sewer collection system)	\$ 2,150,000	\$ 177,071,887	\$ -	\$ 86,231,669	Jan-20	Nov-20	212	III-A	N/A	06020002
43	30.0	60	4,105	TN0078808	Waverly	Humphreys	I/I Correction (Replacement of approximately 2,000 LF of sewer lines and manholes; and rehabilitation of approximately 3,400 LF of sewer lines by method of CIPP.)	\$ 740,000	\$ 177,811,887	\$ -	\$ 86,231,669	Sep-19	Feb-20	212	III-A	N/A	06040005
44	30.0	60	10,428	TN0022551	Lawrenceburg	Lawrence	Collection System Rehabilitation/Replacement (Replacing approximately 20,200 LF of 8-inch thru 30-inch diameter sewer lines along Helton Drive, Second Street, Hwy 43, West Scott, Scout Park, Buffalo Road, Shoal Circle, and Thomas Street.)	\$ 11,632,000	\$ 189,443,887	\$ -	\$ 86,231,669	Mar-20	Sep-21	212	III-B	N/A	06030005
45	30.0	60	16,440	TN0024961	Springfield	Robertson	Pump Station/Collection System Replacement (Installation of approximately 10,000 LF of 8-inch thru 18-inch diameter gravity sewer with approximately 50 new manholes; and the construction of pump stations at Locust Street and Bransford to eliminate SSOs.)	\$ 5,500,000	\$ 194,943,887	\$ -	\$ 86,231,669	May-19	May-20	212	III-B	N/A	05130206
46	30.0	60	18,655	TN0023469	Tullahoma	Coffee/Franklin	I/I Correction (Rehabilitation of approximately 38,000 LF of sewer lines by method of CIPP.)	\$ 5,000,000	\$ 199,943,887	\$ -	\$ 86,231,669	Mar-20	Dec-20	212	III-A	N/A	06030003

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47	30.0	60	601,222	TN0020648	Metropolitan Nashville/Davidson County	Davidson	I/I Correction (SSES of approximately 57,900 LF of 8-inch thru 30-inch diameter sewer lines; rehabilitation of approximately 29,000 LF of 8-inch thru 18-inch diameter sewer lines by method of CIPP and manhole rehabilitation in the Shepherd Hills Sewer Basin)	\$ 5,000,000	\$ 204,943,887	\$ -	\$ 86,231,669	May-20	May-21	212	III-A	N/A	05130202
48	30.0	70	2,306	TN0022993	Carthage	Smith	I/I Correction (Sanitary sewer investigation and study to support infiltration and inflow reduction/elimination in the collection system) Planning and Design	\$391,600	\$ 205,335,487	\$ -	\$ 86,231,669	NA	NA	212	III-A	N/A	05130201
49	30.0	70	9,038	TN0020982	Covington	Tipton	Sewer Interceptor Rehabilitation/Replacement (Rehabilitation of the existing 30-inch diameter concrete interceptor by method of CIPP and point repair.)	\$ 3,500,000	\$ 208,835,487	\$ -	\$ 86,231,669	Sep-19	Dec-20	212	III-B	N/A	08010208
50	30.0	70	41,285	TN0024121	Cleveland	Bradley	I/I Correction (Rehabilitation of approximately 40,000 LF of sewer lines by methods of CIPP lining and point repairs; and rehabilitation of manholes.)	\$ 4,000,000	\$ 212,835,487	\$ -	\$ 86,231,669	Dec-19	Dec-21	212	III-A	N/A	06020002
51	30.0	80	15,921	SOP-88069	Goodlettsville	Davidson/Sumner	Pump Station Improvements (Improvements to the Mansker Creek PS to include replacement of pumps, piping improvements, electrical service upgrades, HVAC improvements, and miscellaneous upgrades to increase reliability.)	\$ 2,400,000	\$ 215,235,487	\$ -	\$ 86,231,669	Jun-20	Dec-21	212	III-B	N/A	05130202
52	30.0	80	32,732	TN0028754	Lebanon	Wilson	Sewer Interceptor Rehabilitation/Replacement (Replacing approximately 7,800 LF of the existing Blair Lane Interceptor, manholes, and associated appurtenances.)	\$ 4,300,000	\$ 219,535,487	\$ -	\$ 86,231,669	Aug-19	Aug-20	212	III-B	N/A	05130201
53	30.0	80	63,152	TN0028789	Johnson City	Washington/Sullivan/ Carter	Pump Station Improvements (Upgrades to the B-Lift Station to include the addition of a third pump.)	\$ 400,000	\$ 219,935,487	\$ -	\$ 86,231,669	Jun-19	Jun-20	212	III-B	N/A	06010102
54	30.0	80	63,152	TN0028789	Johnson City	Washington/Sullivan/ Carter	Sewer Interceptor Rehabilitation/Replacement (Replacing approximately 15,000 LF of the existing 10-inch diameter Lower Boones Creek interceptor and associated manholes.)	\$ 6,700,000	\$ 226,635,487	\$ -	\$ 86,231,669	Mar-20	Dec-20	212	III-B	N/A	06010102
55	30.0	80	63,152	TN0028789	Johnson City	Washington/Sullivan/ Carter	Sewer Interceptor Rehabilitation/Replacement (Replacing approximately 21,000 LF of the Lower Brush Creek Interceptor.)	\$ 15,000,000	\$ 241,635,487	\$ -	\$ 86,231,669	Aug-19	Feb-21	212	III-B	N/A	06010102
56	30.0	90	113,993	TNS075809	Wilson County	Wilson	Green Infrastructure (Installation of drainage improvements and the construction of a bioretention permeable/grass paving parking area at the Agricultural Center to help manage storm water runoff.)	\$ 892,000	\$ 242,527,487	\$ 892,000	\$ 87,123,669	Jun-20	Mar-21	212	VI-C	N/A	05130201
57	30.0	90	336,463	TN0021211 SOP-89044	Hamilton County Water & Wastewater Treatment Authority	Hamilton	I/I Correction (Planning and Design Loan for a sanitary sewer overflow abatement project (evaluation) in the Signal Mountain Sewer Basin 5 to help develop a strategic plan to correct and prevent SSOs in the River Point Road Area) Planning and Design	\$ 100,000	\$ 242,627,487	\$ -	\$ 87,123,669	NA	NA	212	III-A	N/A	06020001

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Rank Order	Priority Points*	ATPI	Population	NPDES/SOP#	Local Government	County	Project Description	Total Project Amount (\$)	Running Total of Total Project Amount Requested (\$)	GREEN Component Amount (\$)	Running Total of GREEN Amount Requested (\$)	Const. Start	Const. Completion	Proj. Type (212 or 319)	EPA Needs Category (I, II, III-A, III-B, IV-A, IV-B, V, etc.)	Discharge Treatment Requirement (Secondary, Advanced, or N/A)	HUC Code
58	30.0	90	336,463	TN0024210 SOP-89044	Hamilton County Water & Wastewater Treatment Authority	Hamilton	I/I Correction (Planning and Design Loan for preparation of a preliminary engineering report and plans and specifications for rehabilitating the sewer collection system in the Red Bank Sewer Basin 5 that will improve hydraulic capacity and eliminate Sanitary Sewer overflows) Planning and Design	\$ 157,000	\$ 242,784,487	\$ -	\$ 87,123,669	NA	NA	212	III-A	N/A	06020001
59	30.0	90	336,463	TN0024210 SOP-89044	Hamilton County Water & Wastewater Treatment Authority	Hamilton	I/I Correction (Rehabilitation/replacement of approximately 18,500 LF of 8-inch through 12-inch diameter sewer lines by methods of CIPP, pipe bursting and open cut in the East Ridge 3C Sewer Basin)	\$ 5,686,200	\$ 248,470,687	\$ -	\$ 87,123,669	May-19	Nov-19	212	III-A	N/A	06020001
60	30.0	90	336,463	TN0024210 SOP-89044	Hamilton County Water & Wastewater Treatment Authority	Hamilton	I/I Correction (Rehabilitation/replacement of approximately 19,500 LF of 6-inch through 12-inch diameter sewers utilizing CIPP, pipe bursting, and open cut methods; and rehabilitation of manholes in the East Ridge Sewer Basin 4B)	\$ 4,985,000	\$ 253,455,687	\$ -	\$ 87,123,669	May-19	Nov-19	212	III-A	N/A	06020001
61	30.0	90	336,463	TN0021211 SOP-89044	Hamilton County Water & Wastewater Treatment Authority	Hamilton	I/I Correction (Planning and Design Loan for preparation of a preliminary engineering report and plans and specifications for rehabilitating the sewer collection system in the Red Bank Sewer Basin 7 that will improve hydraulic capacity and eliminate sanitary sewer overflows) Planning and Design	\$ 70,000	\$ 253,525,687	\$ -	\$ 87,123,669	NA	NA	212	III-A	N/A	06020001
62	30.0	100	6,362	TN0025101	Metropolitan Lynchburg/Moore County	Moore	Storm water Conveyance Infrastructure (Installation of three box culverts on Simmons and Brandon Hollow Road for storm water management.)	\$ 300,000	\$ 253,825,687	\$ -	\$ 87,123,669	Jun-20	Nov-21	212	VI-A	N/A	06030003
63	15.0	80	167,674	TN0024210	Chattanooga	Hamilton	I/I Correction - Wet Weather Storage, Phase 1 (Construction of three 10 MG equalization basins, one 30 MG pump station, and associated appurtenances)	\$ 30,000,000	\$ 283,825,687	\$ -	\$ 87,123,669	Jun-19	Jul-20	212	III-A	N/A	06020001
64	15.0	80	167,674	TN0024210	Chattanooga	Hamilton	I/I Correction - Wet Weather Storage, Phase 4 (Construction of a 30 MG equalization basin, 20 MG pump station, and associated appurtenances)	\$ 20,000,000	\$ 303,825,687	\$ -	\$ 87,123,669	Jun-20	Jan-22	212	III-A	N/A	06020001
65	15.0	90	336,463	TN0024210 SOP-89044	Hamilton County Water & Wastewater Treatment Authority	Hamilton	I/I Correction (Planning Loan for construction of an EQ basin in the East Ridge service area.) Planning	\$ 350,000	\$ 304,175,687	\$ -	\$ 87,123,669	NA	NA	212	III-A	N/A	06020001
66	15.0	90	336,463	TN0021211 SOP-89044	Hamilton County Water & Wastewater Treatment Authority	Hamilton	I/I Correction (Planning Loan for feasibility study of installing an equalization basin near the Signal Mountain (Suck Creek) Wastewater Treatment Plant in the Signal Mountain service area) Planning	\$ 250,000	\$ 304,425,687	\$ -	\$ 87,123,669	NA	NA	212	III-A	N/A	06020001
67	8.1	90	336,463	TN0021211 SOP-89044	Hamilton County Water & Wastewater Treatment Authority	Hamilton	New Pump Station and Interceptor (Planning Loan for Construction/installation of a pump station and force main to eliminate the Signal Mountain (Suck Creek) Wastewater Treatment Plant discharge and connect to the City of Chattanooga's sewer system) Planning	\$ 205,000	\$ 304,630,687	\$ -	\$ 87,123,669	NA	NA	212	I	Secondary	06020001

CLEAN WATER STATE REVOLVING FUND

FY 2019 Priority Ranking List

Total Green
Requested
\$ 87,123,669

Total CWSRF \$ 337,477,687

COMPREHENSIVE LIST

*Includes 5 points for having an approved Growth Plan

Rank Order	Priority Points*	ATPI	Population	NPDES/SOP#	Local Government	County	Project Description	Total Project Amount (\$)	Running Total of Total Project Amount Requested (\$)	GREEN Component Amount (\$)	Running Total of GREEN Amount Requested (\$)	Const. Start	Const. Completion	Proj. Type (212 or 319)	EPA Needs Category (I, II, III-A, III-B, IV-A, IV-B, V, etc.)	Discharge Treatment Requirement (Secondary, Advanced, or N/A)	HUC Code
68	6.0	40	1,495	TN0063886	Celina	Clay	WWTP Improvements/Secondary Treatment (Headworks improvements, renovation of the control building, rehabilitation of the existing chlorine contact basin, and installation of SCADA)	\$ 1,450,000	\$ 306,080,687	\$ -	\$ 87,123,669	Jul-20	Dec-21	212	I	Secondary	05130106
69	6.0	40	3,054	TN0061026	Bean Station	Grainger	New WWTP/Secondary Treatment (Replacement of the existing Kingswood WWTP with a new 10,000 GPD package treatment system) Planning and Design	\$535,000	\$ 306,615,687	\$ -	\$ 87,123,669	NA	NA	212	I	Secondary	06010104
70	6.0	50	982	SOP-94022	Collinwood	Wayne	WWTP Improvements/Secondary Treatment (Replace lagoon liners, upgrade influent pumps, rework spray fields; and replace effluent spray irrigation equipment.)	\$ 687,000	\$ 307,302,687	\$ -	\$ 87,123,669	Mar-20	Sep-21	212	I	N/A	06040001
71	6.0	60	604	SOP-12022	Eagleville	Rutherford	Decentralized Wastewater Treatment Systems (Construction of four additional recirculating sand filters, the installation of two additional UV disinfection units, and additional drip disposal fields.)	\$ 1,825,000	\$ 309,127,687	\$ -	\$ 87,123,669	Mar-20	Aug-21	212	XII	N/A	05130204
72	6.0	70	7,191	TN0020478	Dayton	Rhea	WWTP Improvements/Secondary Treatment (Construction of a SBR and headworks with fine screening and grit removal; installation of disinfection equipment and standby generator.)	\$ 21,850,000	\$ 330,977,687	\$ -	\$ 87,123,669	Oct-19	Apr-21	212	I	Secondary	06020001
73	6.0	70	9,038	TN0020982	Covington	Tipton	WWTP Improvements/Secondary Treatment (Installation of new secondary treatment and solids handling equipment.)	\$ 6,500,000	\$ 337,477,687	\$ -	\$ 87,123,669	Sep-19	Dec-20	212	I	Secondary	08010208

**DRINKING WATER STATE REVOLVING FUND
FY 2019 Priority Ranking List**

COMPREHENSIVE LIST

Total DWSRF \$ 125,144,343 \$ 43,071,000 Total Green Requested

*Includes 5 points for having an approved Growth Plan + Small System less than 10,000 population

Rank	Priority Points*	ATPI	Population Served	Local Government	County	Project Description	Total Project Amount	Running Total of Total Project Amount Requested (\$)	Green Component Amount	Green Component Running Total (\$)	PWSID# TN000...	Expected Term (Years)	Expected Loan Award Date (mm / yy)	Const. Start	Const. Completion
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1	85	30	3,986	Hampton Utility District*	Carter	GREEN - Waterline Replacement (Replacing approximately 25,000 LF of galvanized waterlines.)	\$ 1,250,000	\$ 1,250,000	\$ 1,000,000	\$ 1,000,000	TN0000282	20	Oct-19	Jan-20	Jan-21
2	85	40	3,843	Clifton+	Wayne	New Water Treatment Plant (Construction of a 1.5MGD WTP) Planning and Design Loan	\$ 707,500	\$ 1,957,500	\$ -	\$ 1,000,000	TN0000119	5	Sep-19	NA	NA
3	85	40	5,103	Spencer*	Van Buren	Water Treatment Plant Improvements (Construction of a new sedimentation basin, plate settlers, piping, and related appurtenances.)	\$ 975,000	\$ 2,932,500	\$ -	\$ 1,000,000	TN0000655	20	Sep-19	Jul-20	Dec-21
4	85	40	15,139	Harriman Utility Board	Roane/Morgan	Water Loss Reduction (Survey the distribution system within the service area for leaks; establish district metering zones; and link monitoring to SCADA to readily detect leaks.) Planning Only	\$ 500,000	\$ 3,432,500	\$ -	\$ 1,000,000	TN0000287	5	Sep-19	NA	NA
5	85	60	5,116	Oliver Springs*	Anderson/Roane/Morgan	GREEN - Water Loss Remediation - Planning and Design	\$ 500,000	\$ 3,932,500	\$ 500,000	\$ 1,500,000	TN0000523	5	Jun-19	NA	NA
6	65	30	2,215	Grainger County*	Grainger	Waterline Extension (Extending the Sneedville Utility District's existing waterline at the Hancock County/Grainger County line to the Thorn Hill Community.) Design and Construction	\$ 195,000	\$ 4,127,500	\$ -	\$ 1,500,000	TN0000640	20	Aug-19	Sep-19	Jan-20
7	65	40	9,629	Camden*	Benton	Waterline Relocation (Replacing the raw water main along Hwy 70 from the Tennessee River to the WTP and along Hwy 70 to the Birdsong WST.)	\$ 3,700,000	\$ 7,827,500	\$ -	\$ 1,500,000	TN0000090	20	Oct-19	Nov-19	Oct-21
8	65	40	32,594	Elizabethton	Carter	Waterline Replacement (Replacing the existing 12-inch and 16-inch diameter cast iron Doe River transmission lines adjacent to Hwy 19E bridge in the Valley Forge Community to provide resiliency against severe flooding.)	\$ 1,050,000	\$ 8,877,500	\$ -	\$ 1,500,000	TN0000221	20	Sep-19	Oct-19	Sep-21
9	65	70	9,036	Hartsville-Trousdale Water and Sewer Utility District*	Trousdale	Distribution System Improvements (Construction of a new 2 MG WST, a booster pumping station, and associated appurtenances.)	\$ 1,750,000	\$ 10,627,500	\$ -	\$ 1,500,000	TN0000291	20	Jan-20	Mar-20	Dec-20
10	65	70	637,216	Metropolitan Nashville	Davidson	GREEN - Water Storage Tank Upgrade (Installation of new a new concrete tank in the interior of the existing structure; replacing the western chamber with a 15 MG tank with a baffling system; and replacing the disinfection system at the 8th Ave S WST.)	\$ 17,373,000	\$ 28,000,500	\$ 17,373,000	\$ 18,873,000	TN0000494	20	Aug-19	Jul-19	Jan-21
11	65	100	308	Candlewood Lakes POA Water Works, Inc.	Hardeman	Distribution System Improvements (Construction of a new raw water well)	\$ 200,000	\$ 28,200,500	\$ -	\$ 18,873,000	TN0000797	30	Sep-19	Oct-19	Dec-19

**DRINKING WATER STATE REVOLVING FUND
FY 2019 Priority Ranking List**

COMPREHENSIVE LIST

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Rank	Priority Points*	ATPI	Population Served	Local Government	County	Project Description	Total Project Amount	Running Total of Total Project Amount Requested (\$)	Green Component Amount	Green Component Running Total (\$)	PWSID# TN000...	Expected Term (Years)	Expected Loan Award Date (mm / yy)	Const. Start	Const. Completion
12	45	10	6,143	Huntingdon*	Carroll	GREEN - Distribution System Improvements (Replacing existing waterlines on Main Street; extending waterlines to customers along Hwy 77; and replacing existing water meters with AMR meters.)	\$ 2,000,000	\$ 30,200,500	\$ 780,000	\$ 19,653,000	TN0000316	20	Sep-19	Oct-19	Oct-20
13	45	20	9,869	Arthur-Shawnee Utility District*	Claiborne	Distribution System Improvements - (Construction of a new 400,000 gal water storage tank in the Powell Valley/Speedwell Area; installation of approximately 7,500 LF of 10-inch diameter PVC supply waterlines; and modifications to the existing pressure reducing station.)	\$ 800,000	\$ 31,000,500	\$ -	\$ 19,653,000	TN0000022	20	Oct-19	Aug-20	Mar-21
14	45	20	12,510	Fayetteville	Lincoln	Distribution System Improvements (Improvements to the WTP to include solids management, disinfection byproduct control, and disinfection; WST and booster pumping station improvements; and WL replacements and extensions.)	\$ 11,687,000	\$ 42,687,500	\$ -	\$ 19,653,000	TN0000242	20	Sep-19	Jan-21	Dec-25
15	45	20	30,743	Crossville	Cumberland	Waterline Extension (Installation of approximately 6,000 LF of 10-inch diameter waterlines in the Meadow Park Lake Area.)	\$ 585,000	\$ 43,272,500	\$ -	\$ 19,653,000	TN0000150	20	Sep-19	Oct-19	Apr-20
16	45	30	19,197	First Utility District of Hawkins County	Hawkins	Distribution System Improvements (Construction of a 560 gpm water booster pumping station; installation of approximately 11,000 LF of 12-inch diameter waterlines; and the decommission of the Hord Creek WTP.)	\$ 950,000	\$ 44,222,500	\$ -	\$ 19,653,000	TN0000109	20	Sep-19	Nov-19	Dec-19
17	45	40	7,674	Smith Utility District*	Smith/DeKalb	Waterline Replacement (Replacing existing waterlines with 8-inch or 10-inch PVC or HDPE waterlines along Main Street in Gordonsville.)	\$ 2,265,000	\$ 46,487,500	\$ -	\$ 19,653,000	TN0000636	20	Mar-20	Jun-20	Dec-20
18	45	40	10,602	Lewis County	Lewis	Water Line Extension (Installation of approximately 44,480 LF of waterlines in the Indian Creek and Big Swan Creek Road Areas.)	\$ 1,453,340	\$ 47,940,840	\$ -	\$ 19,653,000	TN0000304	25	Feb-20	Apr-20	Dec-20
19	45	40	19,704	Lawrenceburg	Lawrence	Waterline Replacement (Replacing approximately 7,500 LF of existing 2-inch diameter galvanized waterlines in the Hood Hills Area; upgrading the Crockett Pump Station; and construction of a 300,000 gal elevated WST.)	\$ 2,850,000	\$ 50,790,840	\$ -	\$ 19,653,000	TN0000392	20	Sep-19	Mar-20	Sep-21

**DRINKING WATER STATE REVOLVING FUND
FY 2019 Priority Ranking List**

COMPREHENSIVE LIST

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Rank	Priority Points*	ATPI	Population Served	Local Government	County	Project Description	Total Project Amount	Running Total of Total Project Amount Requested (\$)	Green Component Amount	Green Component Running Total (\$)	PWSID# TN000...	Expected Term (Years)	Expected Loan Award Date (mm / yy)	Const. Start	Const. Completion
20	45	50	18,668	Lafayette	Macon	WTP Expansion (Expanding the existing WTP from 2MGD to 4MGD to include the construction of a flocculation basin, tow sedimentation basins, a mixed media filter, and 2MG clear well; and expansion of the existing building.)	\$ 4,500,000	\$ 55,290,840	\$ -	\$ 19,653,000	TN0000373	20	Jan-20	Apr-20	Jun-21
21	45	50	36,842	Oak Ridge	Anderson/Roane	GREEN - New Water Treatment Plant (Construction of a 16MGD membrane filtration WTP.)	\$ 18,414,703	\$ 73,705,543	\$ 6,200,000	\$ 25,853,000	TN0000522	30	Jan-20	Mar-20	Mar-22
22	45	50	81,325	Cleveland	Bradley	Pump Station Upgrades (Upgrades to the Dempsey Street Water Booster Pump Station.)	\$ 737,700	\$ 74,443,243	\$ -	\$ 25,853,000	TN0000117	20	Sep-19	Oct-19	Jan-20
23	45	50	81,325	Cleveland	Bradley	WTP Improvements (Construction of a new high service pump station adjacent to the Cleveland Filter Plant.)	\$ 6,982,100	\$ 81,425,343	\$ -	\$ 25,853,000	TN0000117	20	Apr-20	Apr-20	Mar-21
24	45	60	3,973	Loretto*	Lawrence	Waterline Extension (Installation of approximately 13,200 LF of waterlines.)	\$ 2,325,000	\$ 83,750,343	\$ -	\$ 25,853,000	TN0000408	20	Sep-19	Mar-20	Sep-21
25	45	60	19,262	Ocoee Utility District	Bradley/Polk	New Water Treatment Plant (Construction of a 2.0 MGD WTP and 500,000 gal clearwell to replace existing Wildwood WTP.)	\$ 6,000,000	\$ 89,750,343	\$ -	\$ 25,853,000	TN0000525	30	Jul-20	Mar-20	Feb-21
26	45	60	19,262	Ocoee Utility District	Bradley/Polk	WTP Improvements (Construction of a new 200,000 gal clearwell to replace existing clearwell at the Carpenter Springs WTP.)	\$ 800,000	\$ 90,550,343	\$ -	\$ 25,853,000	TN0000525	30	Jul-20	Mar-20	Sep-20
27	45	70	637,216	Metropolitan Nashville	Davidson	GREEN - Water Storage Tank Replacement (Construction of a new 2.5MG 38th Ave WST)	\$ 8,120,000	\$ 98,670,343	\$ 8,120,000	\$ 33,973,000	TN0000494	20	Aug-19	Jul-19	Oct-20
28	45	70	637,216	Metropolitan Nashville	Davidson	Waterline Replacement (Replacing approximately 14,340 LF of 2-inch thru 8-inch diameter cast iron waterlines with 8-inch diameter waterlines in the 12th Ave S Area.)	\$ 7,000,000	\$ 105,670,343	\$ -	\$ 33,973,000	TN0000494	20	Aug-19	Aug-19	Aug-20
29	45	90	2,336	Bell Buckle+	Bedford	New Water Storage Tank (Webb School Water Storage Tank)	\$ 886,000	\$ 106,556,343	\$ -	\$ 33,973,000	TN0000044	20	Sep-19	Apr-19	Aug-19
30	45	100	308	Candlewood Lakes POA Water Works, Inc.	Hardeman	GREEN - Water Meter Replacement (Installation of AMR meters and associated appurtenances.)	\$ 178,000	\$ 106,734,343	\$ 178,000	\$ 34,151,000	TN0000797	30	Sep-19	Oct-19	Dec-19
31	25	30	12,630	Erwin Utilities Authority	Unicoi	GREEN - Water Meter Replacement (Installation of AMR meters and leak detection equipment within the Erwin Utilities service area.)	\$ 2,000,000	\$ 108,734,343	\$ 2,000,000	\$ 36,151,000	TN0000231	20	Jan-20	Jul-20	Dec-21

**DRINKING WATER STATE REVOLVING FUND
FY 2019 Priority Ranking List**

COMPREHENSIVE LIST

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Rank	Priority Points*	ATPI	Population Served	Local Government	County	Project Description	Total Project Amount	Running Total of Total Project Amount Requested (\$)	Green Component Amount	Green Component Running Total (\$)	PWSID# TN000...	Expected Term (Years)	Expected Loan Award Date (mm / yy)	Const. Start	Const. Completion
32	25	40	15,139	Harriman Utility Board	Roane/Morgan	Water Meter Replacement (Replacing approximately 2,048 meters that will be compatible with AMI systems.)	\$ 700,000	\$ 109,434,343	\$ -	\$ 36,151,000	TN0000287	20	Sep-19	Oct-19	Sep-20
33	25	40	95,501	Jackson Energy Authority	Madison	GREEN - Water Meter Replacement (Replacing approximately 37,000 existing water meters with AMR/AMI meters.)	\$ 3,500,000	\$ 112,934,343	\$ 3,500,000	\$ 39,651,000	TN0000299	20	Sep-19	Sep-19	Sep-21
34	25	40	95,501	Jackson Energy Authority	Madison	Distribution System Improvements (Construction of a new WST and raw water well)	\$ 1,600,000	\$ 114,534,343	\$ -	\$ 39,651,000	TN0000299	20	Sep-19	Sep-19	Sep-21
35	25	50	3,130	Alexandria ⁺	DeKalb	GREEN - Water Meter Replacement (Replace approximately 900 water meters with AMR meters) Planning and Design Only	\$ 20,000	\$ 114,554,343	\$ 20,000	\$ 39,671,000	TN0000008	5	Jan-20	NA	NA
36	25	50	81,325	Cleveland	Bradley	New Water Storage Tank (Construction of the new .5MG Cherokee Gateway Boulevard WST)	\$ 990,000	\$ 115,544,343	\$ -	\$ 39,671,000	TN0000117	20	Sep-19	Oct-19	Apr-20
37	25	60	9,039	Atoka ⁺	Tipton	New Water Treatment Plant	\$ 3,600,000	\$ 119,144,343	\$ -	\$ 39,671,000	TN0000033	20	Oct-20	Jan-21	Jan-23
38	25	60	35,609	Lebanon	Wilson	New Water Storage Tank (Construction of a 1.0 MG WST at Seay Hill)	\$ 1,400,000	\$ 120,544,343	\$ -	\$ 39,671,000	TN0000393	20	Sep-19	Aug-19	Jul-20
39	25	70	6,426	Minor Hill Utility District ⁺	Giles	Water Storage Tank Improvements (Improvements to the tank mixing system at the Anthony Hill WST)	\$ 400,000	\$ 120,944,343	\$ -	\$ 39,671,000	TN0000469	20	Mar-20	Mar-20	Jun-20
40	25	70	6,426	Minor Hill Utility District ⁺	Giles	Water Storage Tank Improvements (Improvements to the tank mixing system at the Kedron WST)	\$ 400,000	\$ 121,344,343	\$ -	\$ 39,671,000	TN0000469	20	Mar-20	Mar-21	Jun-21
41	25	70	6,426	Minor Hill Utility District ⁺	Giles	Water Storage Tank Improvements (Improvements to the tank mixing system at the Minor Hill WST)	\$ 400,000	\$ 121,744,343	\$ -	\$ 39,671,000	TN0000469	20	Mar-20	Mar-21	Jun-21
42	25	80	1,536	Huntland ⁺	Franklin	GREEN - Water Meter Replacement (Replacing existing water meters with AMR meters.)	\$ 400,000	\$ 122,144,343	\$ 400,000	\$ 40,071,000	TN0000317	30	Sep-19	Jan-20	Apr-21
43	25	100	20,435	Water & Wastewater Authority of Wilson County	Wilson/Trousdale	GREEN - Water Meter Replacement (Installation of approximately 7,800 AMI meters with leak detection; pressure sensors, and software integration.)	\$ 3,000,000	\$ 125,144,343	\$ 3,000,000	\$ 43,071,000	TN0000191	20	Jul-19	Jun-19	Jun-21