



TENNESSEE LOCAL DEVELOPMENT AUTHORITY
OCTOBER 20, 2025
AGENDA

1. Call meeting to order, establish that there is a physical quorum, and receive public comments on actionable items in accordance with Tenn. Code Ann. § 8-44-112 and Board guidelines
2. Approval of minutes from the July 21, 2025, meeting
3. Consideration and approval of the following State Revolving Fund Clean Water Loan:

	SRF Base Loan	Principal Forgiveness	Total Request	Interest Rate	Term
Springfield, CW9 2024-489-02	\$27,000,000.00	\$ -	\$ 27,000,000.00	2.93%	20

4. Report on SRF borrowers that have not submitted request for project expense reimbursement
5. Consideration and approval of the TLDA's SRF Policy and Guidance for Borrowers **(Deferred to a future meeting)**
6. Consideration and approval of the TLDA's SIF Policy and Guidance for Borrowers
7. Report on the notification from the Town of Jasper submitted to comply with *TLDA SRF Policy and Guidance for Borrowers*
8. Report on the notification from the Town of White Pine submitted to comply with *TLDA SRF Policy and Guidance for Borrowers*
9. Adjourn

The Board meeting will be held in the Volunteer Conference Center, 2nd Floor, Cordell Hull Building, 425 Rep. John Lewis Way N., Nashville, TN. Board members are allowed to participate by electronic means. The public may attend in person or virtually by using the following link: <https://comptroller.tn.gov/office-functions/sgf/sgf-calendar/2025/10/20/tennessee-local-development-authority-board-meeting.html>

TENNESSEE LOCAL DEVELOPMENT AUTHORITY
July 21, 2025

The Tennessee Local Development Authority (TLDA) met on Monday, July 21, 2025, at 2:32 p.m., CT, in the Volunteer Conference Center, 2nd Floor, Cordell Hull Building, Nashville, Tennessee. Secretary of State Tre Hargett was present and presided over the meeting.

The following members were also present:

The Honorable Jason E. Mumpower, Comptroller of the Treasury
Kevin Gentry, proxy for the Honorable David H. Lillard, Jr., State Treasurer
Commissioner Jim Bryson, Department of Finance and Administration
Mayor Paige Brown, House Appointee
Mayor Rollen “Buddy” Bradshaw, Senate Appointee

The following member was absent:

The Honorable Bill Lee, Governor

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

Secretary Hargett, in accordance with Tenn. Code Ann. § 8-44-112 and Board guidelines, asked Ms. Sandra Thompson, TLDA Assistant Secretary and the Director of the Division of State Government Finance (SGF), if any requests for public comment had been received. Ms. Thompson responded that no requests for public comment had been received.

Secretary Hargett stated that the first item of business was approval of the minutes from the June 23, 2025, TLDA meeting. Mayor Brown moved approval of the minutes, and Commissioner Bryson seconded the motion. Secretary Hargett asked if there was any discussion. Hearing none, he called for a vote. All members responded affirmatively. The minutes were unanimously approved.

Secretary Hargett stated that the next item on the agenda was the consideration and approval of a Drinking Water State Revolving Fund (DWSRF) loan. Secretary Hargett recognized Ms. Vena Jones, Program Manager at the Tennessee Department of Environment and Conservation (TDEC), to present the DWSRF unobligated balance report and loan request. Ms. Jones presented the Report on Funds Available for Loan Obligation for the DWSRF Loan Program. She reported that, as of April 10, 2025, the Unobligated Fund balance was \$59,064,109. Upon approval of the loan request totaling \$4,407,200, the remaining funds available for loan obligations in the DWSRF would be \$54,656,909. Additionally, Ms. Jones reported that as of April 10, 2025, the Unobligated Emerging Contaminants Fund balance was \$5,490,347 and the Unobligated Lead Service Line Fund balance was \$118,097,948. Secretary Hargett asked if there were any questions on the reports, and there were none. Ms. Jones then presented the DWSRF loan request.

- **Cedar Grove Utility District (DW9 2025-251)** Requesting \$4,407,200 (\$2,203,600 (50%) loan, \$2,203,600 (50%) principal forgiveness), for waterline replacements: replacing approximately 83,000 linear feet of 6-inch diameter asbestos cement waterlines with PVC and associated appurtenances along Highway 220, Highway 70, Highway 70E, and Dunn Road; recommended interest rate of 1.97% based on the Ability to Pay Index (ATPI); Priority ranking 2 of 143 (2022); Term: 20 years

Comptroller Mumpower made a motion to approve the loan request. Mayor Brown seconded the motion. Secretary Hargett asked if there was any discussion. Hearing none, he called for a vote. All members responded affirmatively. The loan was unanimously approved.

Secretary Hargett stated that the next item on the agenda was a report on the TLDA’s debt and loan programs. Secretary Hargett recognized Ms. Thompson to present the report. Ms. Thompson stated that a report of the TLDA’s

debt and loans outstanding (unaudited) as of June 30, 2025, were included in the meeting materials. She reported that the TLDA's State Loan Program Fund had \$315,000 in bonds outstanding. Additionally, she stated that the amount of loans outstanding was \$1,106,499 for the State Infrastructure Fund (1 loan), \$887,443,753 (228 loans) for the Clean Water State Revolving Fund (CWSRF), and \$169,941,581 (156 loans) for the DWSRF. Secretary Hargett asked if there were any questions regarding the report. There were none.

The next item on the agenda was the consideration and approval of the TLDA's SIF Policy and Guidance for Borrowers. Secretary Hargett stated that this item was deferred to a future meeting. Ms. Thompson confirmed the item was deferred, and no further discussion on this item took place.

Secretary Hargett stated that the next item on the agenda was discussion on the Ocoee Utility District's (the "District") requests from the June 23, 2025, meeting. Secretary Hargett first recognized Ms. Thompson, who then deferred to Comptroller Mumpower for comments. Secretary Hargett recognized Comptroller Mumpower, who asked the District's representatives to introduce themselves. The District's representatives, including General Manager Tim Lawson, consulting engineer Jason Griffin, Board President Shawn Willis, and Municipal Advisor Larry Kidwell, were present. Comptroller Mumpower stated that the District had previously submitted requests to issue debt that had been presented at the TLDA's meeting in June. He stated that the TLDA requested the District to return for further discussion of issues related to their financial distress, particularly concerning their request for approval of new debt totaling \$62,500,000 (a \$25,000,000 general obligation issuance and a \$37,500,000 United States Department of Agriculture (USDA) issuance). He noted that, at its July 17, 2025, meeting, the Tennessee Board of Utility Regulation (TBOUR) had frozen the District's ability to borrow due to financial distress.

Comptroller Mumpower raised concerns about the high fees associated with the USDA issuance and the lack of a competitive bid process for financial advisory services. Secretary Hargett shared concerns about the USDA fees and interest rate variations. Comptroller Mumpower also questioned the District's rate structure, which could significantly increase user rates (120% or more over three years), and suggested exploring a merger with another utility. A discussion ensued in which Mr. Willis defended the financial advisory fees, stating that Mr. Kidwell's firm had consistently secured lower interest rates, saving the District money. In response to the Comptroller's concerns about issuing debt during a period of financial distress, Mr. Willis stated that the District could not ignore the many issues caused by failing decentralized septic systems. Mr. Griffin further justified the debt by highlighting the urgent need for \$15,000,000 for pipe replacement and \$10,000,000 to match essential American Rescue Plan Act (ARPA) funds. Regarding a competitive bidding process for financial advisory fees, Mr. Willis said it would be discussed at the District's next board meeting. Mr. Kidwell addressed the concerns about the unusually high USDA fees charged by his firm by explaining that USDA funding often required interim financing and that their approach focused on achieving higher credit ratings to reduce interest rates. Mr. Kidwell stated that the historical average for the Secured Overnight Financing Rate (SOFR) base interest rate was 4.37% over 180 days. Mr. Kidwell stated that banks providing interim funding for USDA generally charged a spread of 1.50-2.00% over the base rate. Mr. Kidwell stated that he believed that through a credit rating process and achieving the highest credit rating possible, he could attain a current interest rate of 3.75-4.00%. Mayor Brown questioned the necessity of issuing the entire amount of debt up front for the interim financing. Mr. Griffin responded, saying it was due to the three-year construction period and compared it to using an equity line without restrictions, allowing the District to pay contractors and then be reimbursed by the USDA at an estimated three percent interest rate. Mayor Brown expressed concern that the District's efforts might not result in savings. Comptroller Mumpower then referred to a report prepared by the Division of Local Government Finance that listed USDA BAN issuances by Tennessee municipal utilities over the past few years. He pointed out that there were no, or significantly lower, financial advisory fees associated with the issuances listed in comparison to the District's proposed transaction. He then cited an example from the report - a USDA BAN that was issued by Macon County earlier in 2025 in the amount of \$35,000,000 in which the financial advisory fee was \$62,500 and the interest rate was 4.45%. He compared this information to the District's proposed transaction, and stated that the District's financial advisory fee for the proposed \$37,500,000 USDA debt was an estimated \$612,000.

At 3:12 p.m., Secretary Hargett departed the meeting. Commissioner Bryson assumed the role of Acting Chairman for the remainder of this discussion and the meeting.

Commissioner Bryson acknowledged Mr. Kidwell's argument about long-term savings resulting from lower interest rates. However, he questioned why other financial advisory firms had not implemented similar fee structures. Commissioner Bryson inquired if there were any other questions or comments from the board. Mayor Bradshaw responded affirmatively and was recognized by Commissioner Bryson. Mayor Bradshaw asked if the District's credit ratings had changed due to the bond issuances. Mr. Kidwell stated that the shift was due to widespread pipe degradation. Regarding the rate structure, Mr. Willis explained that a miscommunication with Jackson Thornton meant an additional \$15,000,000 in necessary debt was not initially included in their rate study. He noted that Mr. Kidwell subsequently proposed a different rate-increasing structure (25% annual increases over three years) to avoid a single, substantial increase for ratepayers. Concerning a potential merger, Mr. Willis confirmed they had explored partnerships with neighboring utilities like Benton and Cleveland for wastewater treatment. However, Mr. Lawson stated that these options faced capacity issues, political constraints, as well as a failed attempt to secure ARPA funds. Mr. Griffin added that a merger would be challenging due to the District's size and amount of debt. Comptroller Mumpower concluded by stating that the TLDA was committed to helping the District and its ratepayers; however, the District's requests would be deferred indefinitely.

Comptroller Mumpower proposed a motion for the TLDA board staff to explore a policy requiring utilities to demonstrate a competitive bid process for financial advisory services when seeking approval to issue additional debt. Mayor Brown seconded the motion. Commissioner Bryson asked if there was any further discussion. Hearing none, he called for a vote. All members responded affirmatively. The motion was unanimously approved.

Commissioner Bryson inquired if there were any additional questions or comments. Mayor Brown responded affirmatively and was recognized by Commissioner Bryson. Mayor Brown stated that fees related to the USDA issuance would apply to a rating that would occur regardless of whether bonds were issued, indicating that there would be two separate ratings. Commissioner Bryson cautioned the District's representatives, emphasizing the urgency of addressing the issues discussed in the meeting. Hearing no further business, Commissioner Bryson asked for a motion to adjourn the meeting. Comptroller Mumpower motioned to adjourn the meeting, and Mayor Bradshaw seconded the motion. Commissioner Bryson asked if there was any discussion. Hearing none, Commissioner Bryson called for a vote. All members responded affirmatively.

The meeting was adjourned.

Approved on this ____ day of _____, 2025.

Respectfully submitted,

Sandra Thompson
Assistant Secretary

DEPARTMENT OF ENVIRONMENT AND CONSERVATION
DIVISION OF WATER RESOURCES

Clean Water State Revolving Fund (CWSRF) Loan Program
Funds Available for Loan Obligation
October 20, 2025

,
Unobligated Fund Balance as of June 23, 2025 **\$ 226,720,407**

Increases:

	<u>Loan Number</u>	<u>Amount</u>
SFY 2025 Principal & Interest Repayments		\$ 63,247,225
SFY 2025 Treasury Interest		\$ 20,277,566
FFY 2024 Capitalization Grant (project dollars)		\$ 11,489,875
FFY 2024 Capitalization Grant state match (SFY25)		\$ 2,371,800
FFY 2024 IIJA General Supplemental Grant (project dollars)		\$ 33,036,000
FFY 2024 IIJA General Supplemental state match (SFY25)		\$ 6,607,200
Brownsville	CWB22 2024-262	\$ 379,000

Unobligated Fund Balance as of October 20, 2025 **\$ 137,408,666**
\$ 364,129,073

	<u>Loan Number</u>	<u>Amount</u>
Springfield	CW9 2024-489-02	\$ 27,000,000

Decreases:

\$ (27,000,000)

Remaining Unobligated Fund Balance as of October 20, 2025 **\$ 337,129,073**

Clean Water State Revolving Fund (CWSRF) Non-Revolving Funds
Funds Available for Loan Obligation
October 20, 2025

Unobligated Fund Balance as of June 23, 2025 \$ 1,358,000

Increases:

<u>Loan Number</u>	<u>Amount</u>
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FFY 2024 IIJA Emerging Contaminant Grant (project dollars)	\$ 3,089,000
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	\$ 3,089,000
Unobligated Fund Balance as of October 20, 2025	<u>\$ 4,447,000</u>

Decreases:

<u>Loan Number</u>	<u>Loan Amount</u>
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	<u>\$ -</u>
Remaining Unobligated Fund Balance as of October 20, 2025	<u><u>\$ 4,447,000</u></u>

FACT SHEET

October 20, 2025

Borrower:	City of Springfield
Project Number:	CW9 2024-489-02
Requested SRF Funding:	\$27,000,000
Term:	20 years
ATPI:	60
Rate:	3.66 X 80% (Tier 3) = 2.93%
Companion Loan:	Yes

Project:

New Advanced Treatment Wastewater Treatment Plant (WWTP): Construction of a new 7.0 million gallons per day WWTP to include a new biological treatment system, influent pump stations, headworks, activated sludge treatment, and sludge digestion and management.

Total Project Cost:	\$74,000,000
Project Funding:	
SRF Loan Request	\$27,000,000
Local Funds	\$ -0-
Other Funds (CWB22 2024-489)	\$10,000,000
Other Funds (CW9 2024-489-01)	\$37,000,000

County:	Robertson County
Consulting Engineer:	Griggs & Maloney, Inc.
Priority Ranking List:	2022
Priority Ranking:	5 of 104 ¹
Public Meeting:	06/20/2024

Financial Information:

Operating Revenues:	\$9,226,000
Current Rate:	\$109.17
Financial Review Rate:	\$109.17
Effective Rates, if applicable:	N/A
Residential User Charge:	5,000 gal/month
Customer Base:	7,658
Audit Report Filed:	01/31/2025 (Late) ²
Approved Annual Budget	Yes
Initial Financial Sufficiency Review:	06/18/2025
Updated Financial Sufficiency Review:	N/A

¹ The Project ranked #5 of 104 on the 2022 Priority Ranking List.

² Late Audit justification letter submitted to SRF.

FACT SHEET

October 20, 2025

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

Additional Security

The borrower pledges its unobligated state-shared taxes (SSTs) in an amount equal to the maximum annual debt service (MADS) requirements under the loan agreement.

The SSTs received by the borrower from the state in the prior fiscal year: \$3,126,590

MADS:	Prior Obligations:	\$4,718,628
	Proposed loan(s):	
	CW9 2024-489-02	<u>\$1,785,564</u>
	Totals	<u>\$6,504,192</u>

MADS as a percentage of SSTs: 208.03%

**REPRESENTATION OF
LOANS AND STATE-SHARED TAXES
CITY OF SPRINGFIELD
CW9 2024-489-02**

As security for payments due under a State Revolving Fund (SRF) Loan Agreement, a local government pledges user fees, charges, and ad valorem taxes as necessary to meet its obligations under a SRF Loan Agreement. As an additional security for such payments due, a local government pledges and assigns its unobligated state-shared taxes (SSTs) in an amount equal to maximum annual debt service (MADS) requirements.

1. State-Shared Taxes

The total amount of SSTs, as identified pursuant to Tenn. Code Ann. § 4-31-105(c)(2), received by the local government in the prior fiscal year of the State is \$3,126,590.

2. Prior Obligations

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

Loan Type	Loan #	Base Loan*	Principal Forgiveness*	MADS**
SRF/Sewer	SRF 2016-360	\$6,503,649	\$0	\$306,660
SRF/Sewer	SRF 2019-422	\$25,659,803	\$0	\$1,455,192
SRF/Sewer	SRF 2020-447	\$5,341,095	\$0	\$288,516
SRF/Sewer	CWB22 2024-489	\$5,000,000	\$5,000,000	\$317,652
SRF/Sewer	CW9 2024-489-01	\$37,000,000	\$0	\$2,350,608

* 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 MADS from section 2(a.) having a lien on SSTs is \$4,718,628.

(b.) Other prior obligations which have been funded or approved for which the local government has pledged its SSTs are as follows:

Type of Obligation	Identifying #	Loan Amount	Principal Forgiveness	MADS
QZAB/QSCB	N/A			
TLDA/Public Health	N/A			
TLDA/Transportation	N/A			

The total MADS from section 2(b.) having a lien on SSTs is \$0.

(c.) The total MADS from prior obligations having a lien on SSTs [subsections 2(a)+2(b)] is \$4,718,628.

3. Loan Requests

The loan(s) which have been applied for and for which state-shared taxes will be pledged:

Loan Type	Loan #	Anticipated Interest Rate	Base Loan	Principal Forgiveness	Anticipated MADS
SRF/Sewer	CW9 2024-489-02	2.93%	\$27,000,000	\$0	\$1,785,564

The anticipated total maximum annual pledge of state-shared taxes pursuant to loan request(s) is \$1,785,564.

4. Unobligated SSTs

The amount set forth in section (1) less the total amounts set forth in sections 2 and 3 is \$-3,377,602.

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 17th day of September, 2025.

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

LOCAL GOVERNMENT

BY:  _____
Buzzy Poole, Mayor

REQUIREMENT FOR REPORT ON DEBT OBLIGATION
(FORM CT-0253)
CITY OF SPRINGFIELD
CW9 2024-489-02

Pursuant to Tenn. Code Ann. § 9-21-134, 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. § 9-21-134 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 it 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.

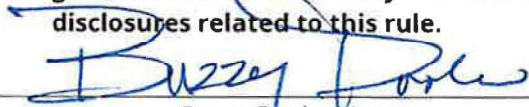
Municipal Securities Rulemaking Board (MSRB) – Required Disclosure

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, City of Springfield, attests that it is in compliance with Tenn. Code Ann. § 9-21-134 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 to this rule.


Buzzy Poole, Mayor

September 17, 2025

Date

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



CITY OF SPRINGFIELD
Administration

405 North Main Street • Springfield, Tennessee 37172 • (615) 382-2200 • FAX (615) 382-1612
www.springfieldtn.gov • info@springfieldtn.gov

September 23, 2025

Tennessee Local Development Authority and
Tennessee Department of Environment and Conservation
Attention: State Revolving Fund Loan Program
Rosa L Parks Ave, 12th Floor
Nashville, TN 37243

RE: City of Springfield
Loan #CW9 2024-489-2

Dear Madam/Sir:

This letter is to inform you about the status of our FY 2024 audit report. This report was filed and posted on the website for the State of Tennessee Office of the Comptroller of the Treasury.

However, the report was filed shortly after the December 31st deadline due to a personnel transition that took place in our finance department which resulted in the delay of the audit's completion.

We expect that the FY 2025 audit and future audit reports will be submitted by the December 1st deadline.

Please do not hesitate to reach out with any additional questions or needs.

Sincerely,

Ryan Martin, City Manager

No Activity Report

PROJECT NAME	LOAN NUMBER	STATE & LOCAL FINANCE LOAN ACTIVITY at 09/30/2025	Project Type	DATE LOAN AWARDED	LOAN AMOUNT	TDEC DETAILS/COMMENTS/STATUS
City of Chattanooga	SRF 2020-440-01	No funds have been disbursed to borrower	Clean Water	2/23/2022	\$19,000,000.00	Change orders and requests for backup documentation have delayed the processing of submitted pay requests, according to Christina Hesse, Program Controls Manager at Jacobs Engineering.
City of Chattanooga	SRF 2023-478	No funds have been disbursed to borrower	Clean Water	10/09/2023	\$20,000,000.00	Change orders and requests for backup documentation have delayed the processing of submitted pay requests, according to Christina Hesse, Program Controls Manager at Jacobs Engineering.
Chuckey Utility District	DW7 2025-266	No funds have been disbursed to borrower	Drinking Water	10/2/2024	\$1,830,000.00	The UD is preparing to receive bids for the project in early November, so the first construction pay request will be issued in approximately two months. An engineering Invoice is ready to submit for payment. The invoice amount will be \$77,227.50, according to David Wykle, P.E., W.W. Engineering.
Chuckey Utility District	DW7 2025-271	No funds have been disbursed to borrower	Drinking Water	12/16/2024	\$670,000.00	The UD is preparing to receive bids for the tank project in early November and expects to have a construction pay request within approximately three months. An engineering Invoice is ready to submit for \$40,240.00, according to David Wykle, P.E., W.W. Engineering.
City of Etowah	CW21021-496	No funds have been disbursed to borrower	Clean Water	12/16/2024	\$279,000.00	Invoices are being prepared by the City of Etowah and should be submitted by the end of October, according to James Moore, P.E., CTI Engineers.
City of Etowah	CW 2025-497	No funds have been disbursed to borrower	Clean Water	12/16/2024	\$605,000.00	Invoices are being prepared by the City of Etowah and should be submitted by the end of October, according to James Moore, P.E., CTI Engineers.
Erwin Utility Authority	DWB22 2024-267	No funds have been disbursed to borrower	Drinking Water	8/19/2024	\$1,354,000.00	There are project delays and payment deferrals due to Hurricane Helene. Richard Foster, P.E., Erwin Utilities Authority.
City of Fayetteville	DWB22 2024-264	No funds have been disbursed to borrower	Drinking Water	11/29/2023	\$1,800,000.00	This project is ready for bidding in the first quarter of 2026, followed by construction and the first payment, approximately in July 2026, as per Dudley Fox, P.E., Principal, FoxPE.
City of Fayetteville	DWF 2024-263-01	No funds have been disbursed to borrower	Drinking Water	11/14/2024	\$15,000,000.00	This is a companion loan for DWB22 2024-263, which is under construction and scheduled for completion in 2028. Once completed, DWF 2024-263-01 will begin drawing down, per Dudley Fox, P.E., Principal, FoxPE.
Northwest Dyersburg Utility District	DWB22 2024-268	No funds have been disbursed to borrower	Drinking Water	8/19/2024	\$332,173.00	The plans and specifications have been submitted and are awaiting approval. Once approved, the project will be bid, per Jennie Keel, P.E., Principal, Civil Engineering.
City of Oak Ridge	DWF 2022-253-01	No funds have been disbursed to borrower	Drinking Water	5/14/2024	\$20,000,000.00	The first pay request will be submitted by the end of October 2025. The City is confirming payments issued to contractors, according to Kari Bates, Oak Ridge Finance Manager.

Town of White Pine	CW20 2025-492	No funds have been disbursed to borrower	Clean Water	11/14/2024	\$500,000.00	This is a planning and design loan. The first pay request will be submitted by the end of October, according to Evan Sanders, President of Community Development Partners.
Town of White Pine	DW7 2025-272	No funds have been disbursed to borrower	Drinking Water	11/14/2024	\$150,000.00	This is a planning and design loan. The first pay request will be submitted by the end of October, according to Evan Sanders, President of Community Development Partners.
Winchester Utility System	DG1 2024-265	No funds have been disbursed to borrower	Drinking Water	5/14/204	\$4,170,500.00	There were delays in processing the initial bid, which resulted in the project being rebid, further delaying the water meter installation. The estimated pay is requested by January 15, 2026, according to Wesly Gamble, P.E., SL Serco Consulting.
Town of Woodbury	DW7 2020-220-01	No funds have been disbursed to borrower	Drinking Water	5/14/2024	\$109,932.00	This is a companion loan for DW7 2020-220-01, which is completed, and the final request is being prepared. Once completed, DW7 2020-220-01 will begin drawing down, per Mathew Tucker, P.E., James C. Hailey & Company.

**Tennessee Local Development Authority
Tennessee Transportation State Infrastructure
Fund
Policy & Guidance for Borrowers**

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Tennessee Local Development Authority

Tennessee Transportation State Infrastructure Fund

Policy & Guidance for Borrowers

Introduction

The Tennessee General Assembly passed legislation in 2009 that enacted the Tennessee Transportation State Infrastructure Fund Act (“Act”). The Act created the Tennessee transportation state infrastructure fund (“SIF”). The SIF is a revolving loan program administered through the Tennessee Local Development Authority that assists government units with low-interest loans for the construction of qualified transportation projects. The purpose of this Policy and Guidance is to provide guidance to SIF borrowers.

The Tennessee Local Development Authority (“TLDA”), in consultation with the Tennessee Department of Transportation (“TDOT”), has previously established policies and other guidance to assist SIF program borrowers. TLDA and TDOT have conducted a review of these documents with regard to their clarity and efficacy for program borrowers, alignment with program goals, and compliance with program requirements. This resulting Policy and Guidance supersedes any policy or guidance previously approved by the TLDA.

Definitions

For purposes of this Policy and Guidance, terms defined in Tenn. Code Ann. Title 4, Chapter 31, Part 12, shall have the same meaning as defined in those parts unless the context otherwise requires. Any subsequent amendment to definitions in those parts or statutes cited in the definitions below is hereby incorporated by this Policy and Guidance.

“Act” refers to the Tennessee Transportation State Infrastructure Fund Act which is codified in Tenn. Code Ann. Title 4, Chapter 31, Part 12.

“Authority” means the Tennessee Local Development Authority.

“Department of Transportation” or “Department” means the Tennessee Department of Transportation and its successors.

“Eligible costs” means, as applied to a qualified project to be financed with federal funds, the costs that are permitted under applicable federal laws, requirements, procedures and guidelines. As applied to all other qualified projects, “eligible costs” includes the costs of preliminary engineering, traffic and revenue studies, environmental studies, right-of-way acquisition, legal and financial services associated with the development of the qualified project, construction, construction management, facilities and other costs necessary for the qualified project. “Eligible costs” also includes project monitoring costs incurred by the department of transportation, as provided in § 4-31-1205(d).

“Eligible project” means:

- a. A transportation infrastructure project, including streets, highways, bridges, tunnels and any related roadway facilities;
- b. Intelligent transportation systems;
- c. Air transport and airport facilities;
- d. Railways and rail facilities;
- e. Port facilities;
- f. Mass transit systems or transit capital projects;
- g. Parking facilities; and
- h. Pedestrian or bicycle facilities that provide public benefits by enhancing mobility or safety, promoting economic development or increasing the quality of life and general welfare of the public.

There may be included as part of any “eligible project” all improvements, including equipment, necessary to the full utilization of the project, including site preparation, roads and streets, sidewalks, water supply, outdoor lighting, belt line railroad sidings and lead tracks, bridges, causeways, terminals for railroad, automotive and air transportation, transportation facilities incidental to the project and the dredging and improving of harbors and waterways.

“Financing agreement” means any agreement entered into between the authority and a qualified borrower pertaining to a loan entered into under the Act.

“Fund” or “SIF” means the Tennessee transportation state infrastructure fund.

“Government unit” means a county, incorporated town or city, metropolitan government, state agency, or instrumentality, authority or agency of government created by any one (1) or more of the listed entities or by an act of the general assembly, including combinations of two (2) or more of these entities, acting jointly to construct, own or operate a qualified project, or any other state authority, board, commission, agency or department that may construct, own or operate a qualified project.

“Loan” means an obligation subject to repayment that is provided by the fund to a qualified borrower for all or part of the eligible costs of a qualified project. A loan may be disbursed in anticipation of reimbursement for or direct payment of the eligible costs of a qualified project.

“Loan term” means the number of years over which the loan is to be amortized. This period shall not exceed the useful life of the project as assessed by the Department.

“Project revenues” or “revenues” mean all rates, rents, fees, assessments, charges and other receipts derived or to be derived by a qualified borrower from a qualified project or otherwise made available, including, but not limited to, tax revenues, and, as provided in the applicable financing agreement, derived from any system of which the qualified project is a part or from any other revenue producing

facility under the ownership or control of the qualified borrower, including, without limitation, proceeds of grants, gifts, appropriations, investment earnings, proceeds of insurance or condemnation and proceeds from the sale or other disposition of property and from any other source as may be provided by the qualified borrower.

“Qualified borrower” means any governmental unit authorized to construct, operate, or own a qualified project that has the means necessary to repay a loan from the fund, as determined by the Department and the Authority.

“Qualified project” means an eligible project that has been recommended by the department of transportation to receive a loan from the fund to defray an eligible cost.

“Security” means that which is determined by the authority to be acceptable to secure a loan to a qualified borrower under the Act and includes, but is not limited to, project revenues, ad valorem taxes, state-shared taxes, letters of credit and bond insurance.

“State-shared taxes” means taxes imposed and collected by the state pursuant to law and allocated by law to local government units, whether allocated for a particular purpose or for the general use of such local government units, pursuant to Tenn. Code Ann. § 4-31-102.

Determination of Financial Eligibility

Applications for projects to be considered for a Loan from the SIF shall be sent to the Department for evaluation. The Department shall review the application and shall determine if it is an Eligible Project and, if so, whether to recommend the project to the Authority. The Department’s evaluation shall include a determination of the applicant’s financial ability to repay a Loan. Preference may be given to Eligible Projects that have financial support in addition to any Loan that may be received from the Fund. The Department’s recommendation shall provide the expected useful life of the project.

Upon notification from the Department that a qualified project is being recommended for a loan from the fund, the Authority shall determine the term for the loan. The loan Term shall be established at a five, ten, fifteen, or twenty-year term, provided the loan term does not exceed the useful life of the project as recommended by the Department.

The Authority shall establish the interest rate to be charged to the qualified borrower based on the market interest rates on the date the loan is recommended by the Department. The interest rate shall be set at 50 percent of the current market rate (defined as the MMDGO yield published in the *Bond Buyer*) for the term of the loan.

Based upon the loan term and the interest rate as determined above, the Authority shall calculate an estimated maximum annual debt service amount. The qualified borrower may demonstrate such security by:

- a. Pledging security interests in project revenues and any revenues from any other revenue producing facilities from which the qualified borrower derives project revenues to secure its obligations as provided in the Act;

- b. Pledging its state-shared taxes;
- c. Pledging the full faith and credit and unlimited taxing power, if any, of the qualified borrower as to all taxable property of the qualified borrower to the punctual payment of the loan; and
- d. Pledging any other security determined by the authority to be acceptable to secure a loan under the Act.

Subsequent revisions to the project application which result in an updated recommendation by the Department shall cause the interest rate to be reset to the date of such updated recommendation of the qualified project.

Determination of Financing Terms

The Authority shall provide to the qualified borrower an example repayment schedule based upon the loan term and interest rate as determined with its approved Financing Agreement. Such schedule should set forth the approved loan amount; interest rate; loan term; and anticipated monthly debt service, total interest, and total debt service (based upon the approved loan amount).

The financing agreement shall include provisions for the payment of interest on the outstanding balance of the loan during the construction period.

The financing agreement shall also include provisions for the payment of an administrative fee of 12 basis points (or 0.12%), calculated on the outstanding balance of the loan. Such payments shall begin during the construction period and continue over the life of the loan (as demonstrated by the inclusion of such fees in the calculation of the borrower repayment schedule.)

The financing agreement shall allow for the prepayment of all or any portion of the loan at any time without penalty.

The financing agreement shall also grant the borrower the ability to reduce its loan amount, should the project be completed with less than the approved amount of the loan having been disbursed.

Execution of Financing Agreement and Closing Documents

Upon determination that the qualified borrower has demonstrated adequate security to repay the loan, the Authority shall distribute to the borrower a copy of the financing agreement to be executed by the qualified borrower.

In addition to the financing agreement, prior to the Authority's consideration for approval of the loan, the qualified borrower shall have furnished to the Authority, in form and substance satisfactory to the Authority the following documents required for closing:

- a. A copy of the resolution/ordinance passed by the government unit authorizing the government unit to enter into the loan agreement as well as a notarized certificate of the borrower certifying:

- 1) that the government unit has been duly created and is validly existing subdivision of Tennessee;
 - 2) that the authorizing resolution/ordinance has not been amended, modified, supplemented, or rescinded; and
 - 3) that the government unit understands that each request for reimbursement of expenditures submitted during the loan period constitutes a reaffirmation by the government unit as to the continuing truth and completeness of the statements and representations contained in the financing agreement.
- b. A representation of the government unit as to its state-shared taxes received and any prior pledges against such; and
- c. An opinion of borrower's counsel to the effect that:
- 1) the borrower has been duly created and is validly existing and has full power and authority (under its Charter and By-Laws or general law, if applicable, and other applicable statutes) to enter into and carry out the terms of the loan agreement;
 - 2) the loan agreement is duly executed and constitutes a valid and binding contract of the borrower, enforceable in accordance with its terms except as the enforceability thereof may be limited by bankruptcy, reorganization, insolvency, moratorium, or similar laws affecting the enforcement of creditors' rights generally;
 - 3) the loan agreement is not in conflict in any material way with any contracts or ordinances of the borrower; and
 - 4) there is no litigation materially adversely affecting the agreement or the financial condition of the borrower.

All such closing documents as outlined above shall be properly executed by the borrower prior to the approval of any loan.

Management of the Loan

No requests from the borrower for reimbursement shall be accepted prior to the approval of the loan. After the approval of the loan, the Authority shall notify the borrower via a letter of the loan's approval and shall provide a copy of the fully executed, countersigned financing agreement.

Requests from the borrower for reimbursement of expenditures for the qualified project shall be submitted to the Department for review. Upon notification from the Department of the amount of eligible costs to be reimbursed, the Authority shall disburse such amount to the borrower. Such amounts which represent reimbursement for monitoring costs incurred by the Department shall be submitted on a separate invoice and shall likewise be paid to the Department.

The Authority shall notify the qualified borrower of the monthly amount of interest to be paid subsequent to each disbursement of loan funds.

No more than 90% of the approved loan amount shall be disbursed prior to the receipt of a certificate of completion from the qualified borrower. The borrower shall certify that the construction of the project has been completed. Once the Department has received the certificate of completion and determined, by means of its monitoring of the project, that the project is in proper operation and approved, the Department shall notify the Authority. At that time, reimbursements for the remaining 10% of the loan may be processed. Provided however, that the reimbursement is for planning or replanning and design, reimbursements for the full amount of planning, replanning or design may be disbursed prior to completion of construction.

At such time that all funds have been disbursed, the Authority shall establish a schedule for the repayment of the loan in compliance with the terms set forth in the financing agreement and in accordance with “Determination of Financing Terms” above. Such schedule shall set forth the dates and amounts for the submission of payments to the Authority.

If the Department shall, through its monitoring, determine that the project is complete prior to the expenditure of 90% of the funds, the Department shall notify the Authority and the Authority shall establish a schedule for the repayment of the loan at the reduced amount.

Repayments of loan principal and payments of interest shall be properly accounted for and recorded by the Authority. All such amounts shall remain a part of the fund.

Records of the Authority

For each approved loan, the Authority shall maintain copies of the project loan application submitted to the Department, the Department’s recommendation letter, the fully executed financing agreement and all related closing documents.

The Authority shall maintain financial records adequate to prepare annual financial statements for the fund and shall prepare such statements at each fiscal year end.

The Authority shall maintain records sufficient to determine that the borrower is making the payments provided for on the repayment schedule and to provide the borrower with the balance of the loan as may be requested from time to time.

Issuance of Additional Debt

Encumbrance of State-shared Taxes

If the Borrower is entering into any additional debt that is to be secured by a pledge of state-shared taxes, the Borrower must notify the TLDA prior to the issuance of any such new debt. Such request should be submitted at least 45 days in advance of the proposed sale date of such debt or as soon as possible.

Federal or Other Assistance for the Qualified Project

If the Borrower is seeking any additional federal or state assistance for the project to be financed by

the SIF loan, the Borrower must notify the Department.

Requests to Issue General Obligation Debt

Borrowers are not required to seek approval from, or provide notification to, the TLDA to issue general obligation debt unless the general obligation debt is also secured by a pledge of revenues which has specifically been pledged to the SIF loan with a security lien on parity with or senior to the SIF loan.

Requests to Issue Revenue Debt

Borrowers are not required to seek approval from, or provide notification to, the TLDA to issue revenue debt that will be secured by a source of revenue other than the revenues that may be pledged to its SIF loan. If the revenue debt is to be secured by the revenues securing the SIF loan, but the borrower is not requesting a parity or senior lien position of the debt to be issued, the borrower must only provide a written notification to the TLDA at least 45 days prior to the sale of the debt. No approval is required from the TLDA, and the notice must include a statement that the borrower acknowledges that the debt will be issued subordinate to its outstanding SIF loan(s). If a borrower seeks a parity or senior lien position for the revenue debt (new money or refunding), the Borrower must submit a written request for approval from the TLDA to modify the SRF program's lien position at least 45 days prior to the sale date of any revenue debt (new money or refunding). (See sections titled Lien Position Please refer to section titled Factors to be Considered for a Request to Issue Additional Debt and/or Modify Lien Position for information used to analyze requests.

Note that:

To recognize the time sensitivity in issuing refunding debt, if the additional revenue debt is being issued to refund previously outstanding debt, a Borrower may seek approval from the Vice- Chairman of the TLDA, as outlined below in the section titled Approval for the Issuance of Refunding Debt.

Borrowers are required by state law and the loan agreement to file an annual audit report with the Comptroller of the Treasury. (See section titled Filing of Annual Audit Report.)

Borrowers should always consult bond or disclosure counsel when issuing revenue debt to obtain advice on the appropriate disclosure to be made in offering documents concerning the lien position of the SRF program.

Approval for the Issuance of Refunding Debt

The issuance of refunding debt usually progresses through an accelerated timetable to take advantage of market conditions to achieve certain savings. In the event that a meeting of the TLDA cannot be scheduled during this timeframe, the Vice-Chairman of the TLDA is authorized to approve the issuance of refunding debt by a Borrower under the following conditions:

- a. The refunding does not extend the life of the debt;
- b. The refunding debt is structured to generate debt service savings of at least 3 percent net present value savings of the refunded debt;

- c. Documentation is provided to the Vice-Chairman, in the form of a projected savings report certified by a financial advisor or underwriter, demonstrating such savings can be achieved;
- d. The refunding debt will be issued subordinate to SRF debt or the lien position of the existing SRF debt will remain the same or be improved.
- e. Staff has analyzed the transaction and has concluded that any prerequisites for TLDA approval of the issuance of additional debt have been met; and,
- f. The Borrower agrees to provide a final savings report to the Vice-Chairman, that shows the actual savings achieved by the refunding.

A written request must be submitted to the TLDA at the same time that the plan of finance for the issuance of refunding debt is submitted to the Director of the Division of Local Government Finance pursuant to Tenn. Code Ann. § 7-82-501. The Vice-Chairman will report any such approvals at the next meeting of the TLDA. At that time, or as soon as it is available, the Vice-Chairman will provide the final savings report to all members of the TLDA for review. Please refer to section titled Factors to be Considered for a Request to Issue Additional Debt and/or Modify Lien Position for information used to analyze requests.

Note: If the refunding debt will be issued to extinguish all SRF debt and the Borrower will have no other SRF Loan authorizations upon which funds can be drawn, then the Borrower should provide written notification to the TLDA of its intent to payoff its SRF Loans in full. The repayment should occur simultaneously with the issuance/closing of the bonds.

Lien Position

Requests from UD, Systems, or Municipalities to Modify Lien Position

Generally, lien position, or lien priority, is determined by the effective date the debt. The date of any SRF Loan shall be the date that the TLDA approves the loan request (as evidenced on the SRF Loan agreement).

Following the general rule of lien priority, a new SRF Loan would be issued with a subordinate lien position to a lien position of existing debt. Likewise, any debt issued after the approval of a SRF Loan would be subordinate to the SRF Loan. However, a Borrower may request a modification of such standard lien position. For example, a Borrower may have outstanding debt in the capital markets and plans to obtain a SRF Loan. The TLDA would consider a request to issue a new SRF Loan on parity with such existing debt. In another instance, a Borrower with an existing SRF Loan agreement plans to issue additional debt in the capital market. If a Borrower requests a modification of the TLDA's lien position to the new debt, the TLDA will only consider a modification upon demonstration from a Borrower of good cause, sufficient resources to repay the SRF Loan, and ability to satisfy any other such requirements as set forth by the TLDA at the time of the request. The TLDA must give careful consideration to a request for subordination of the lien position of the SRF debt to a Borrower's debt because it poses more risk to the SRF Loan program than a request for parity lien. The TLDA may approve a request for subordination under limited circumstances if a Borrower demonstrates a substantial need, meets all requirements set forth by the TLDA, and the TLDA deems such request to be in the best interest of the Borrower and the users of the UD, System, or Municipal system.

Written requests to modify a SRF program lien position must be submitted for approval by the TLDA prior to the issuance of any such debt (new money or refunding). In order to allow adequate time for such consideration, all written requests should be submitted to the TLDA at least 45 days prior (or as soon as possible) to the anticipated sale date of such new debt. (See section Factors to be Considered for a Request to Issue Additional Debt and/or Modify Lien Position)

Factors to be Considered for a Request to Issue Additional Debt and/or Modify Lien Position

The TLDA will analyze several factors, as appropriate, when considering requests to issue additional debt and to modify the SRF program's lien position. These factors shall include but are not limited to:

- a. The Borrower's compliance with the covenants and representations set forth in its SRF Loan agreement ;
- b. The Borrower's amount of authorized and outstanding SRF program debt;
- c. Borrower's history of timely SRF Loan repayments;
- d. Borrower's timely filing of financial statements with the Division of Local Government Audit, Tennessee Comptroller of the Treasury (See section titled Filing of Annual Audit Report);
- e. Amount and purpose of proposed debt issuance;
- f. Borrower's credit rating (if applicable);
- g. Borrower's current and pro-forma (projected) debt service coverage;
- h. Borrower's amount of unobligated state-shared taxes (if applicable);
- i. Percentage of the system's total revenues generated by its largest user(s);
- j. The lien position of existing SRF debt; and
- k. The impact the health, safety, and well-being of the citizens of the state of Tennessee.

Consent to Modify Lien Position

Any consent by the TLDA to modify its SRF program lien position applies only to revenues pledged to serve the SRF Loan. Consent to modify the SRF lien position does not affect any pledge of state-shared taxes or any rights to security deposits held by the TLDA (if applicable).

Consent of the TLDA to modify the SRF program's lien position is subject to the condition that the documentation authorizing the new debt: 1) clearly states that debtholders have no rights to any security deposits required by, and securing, the SRF Loan agreement(s) and 2) does not provide debtholders acceleration rights that are superior to, or more generous than, those provided under the SRF Loan agreement(s). Neither the TLDA nor the TDEC shall have any rights to any debt service

reserve fund established in favor of the new debt.

The Borrower will be responsible for ensuring completeness and accuracy of all documents. The TLDA makes no representation that the issuance of additional debt by the Borrower complies with all applicable laws, or that such issuance is in the best interest of the Borrower. The TLDA is not a municipal financial advisor and offers no financial advice to Borrowers concerning such requests.

Report on Debt Obligation

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 Comptroller of the Treasury, Division of Local Government Finance. The purpose of the Report is to provide clear and concise information on the debt to members of the governing or legislative body that authorized and is responsible for the debt issued.

A Government Unit that applies for a SIF Loan but is not in compliance with this law should file the Report as soon as possible and provide notification of filing to the SIF Loan program to proceed with its loan application. Furthermore, a Report is required to be filed once a SIF Loan has been approved by the TLDA and the agreement has been executed by the borrower.

Instructions on how to file the Report can be found on the website of the Tennessee Comptroller of the Treasury by navigating to the Local Government Finance section of the page under the Office Functions and then browsing to the Debt subheading.

Disclosure

The Electronic Municipal Market Access (EMMA) website was created by the Municipal Rulemaking Securities Board (MSRB) to provide municipal market information, such as official statements, continuing disclosure documents, advanced refunding documents, and trade data for all municipal securities in the United States. All Government Unit issuers are required to perform continuing disclosure undertakings related to Securities and Exchange Commission Rule 15c2-12 via EMMA.

Government Units 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:

- a. 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

- b. 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. A Government Unit may need to disclose information concerning its SIF Loan on the MSRB's EMMA website. The Government Unit should consult with bond and/or disclosure counsel to determine the appropriate disclosures. More information about EMMA can be found on the MSRB's website.

Filing of Annual Audit Report

Tennessee state law¹ requires local governments to file an annual audit report with the Office of the Comptroller of the Treasury. Furthermore, SIF program Borrowers agree to make such annual filing as a condition of the loan agreement. Failure to file such report in compliance with statutory or contractual requirements may cause a delay in the approval process for SIF funding, and in certain cases may result in disapproval. SIF Loan applicants and Borrowers that have not met the filing deadline, or anticipate a delay, should provide written notification to the TLDA prior to the applicable deadline and provide the reason for the delinquent filing and the expected filing date.

A Borrower may be required to disclose audited financial information pursuant to federal law or other contractual agreements, including, but not limited to, the Federal Single Audit Act and the Securities and Exchange Commission's Rule 15c2-12 for continuing disclosure. Other such requirements do not supersede a Borrower's audit filing responsibility under Tennessee state law or covenants contained in the SIF Loan agreement. Also, a Borrower's notification to the TLDA of a delinquent filing does not relieve it of any responsibilities related to other state contracts or contracts with federal or other agencies. The Borrower should notify other interested parties of a delinquent filing, including, but not limited to, lenders, grantors, bond counsel, regulatory boards, and federal or other state agencies and should contact other parties to determine if any additional action is necessary pursuant to other agreements.

¹ Tenn. Code Ann. §§ 6-56-105, 9-3-212, and 4-3-304(4)

Adoption of Policy and Guidance

The Authority adopted this Policy and Guidance at its publicly held meeting on _____, effective _____.

Vice Chair

Tennessee Local Development Authority

**TOWN OF JASPER, TENNESSEE
32 COURTHOUSE SQUARE
JASPER, TENNESSEE 37347**

August 13, 2025

Ms. Sandra Thompson
Director
Tennessee Local Development Authority
Cordell Hull Building
425 Rep John Lewis Way N
Nashville, Tennessee 37243

Via Email

Re: Town of Jasper, Tennessee \$163,067 Water and Sewer System Revenue and Tax Refunding Bond, Series 2025

Dear Ms. Thompson:

The Town of Jasper, Tennessee (the "Town"), intends to issue its \$163,067 Water and Sewer System Revenue and Tax Refunding Bond, Series 2025 (the "Refunding Bond"), for the purpose of prepaying the outstanding principal in the amount of \$163,067, maturing May 25, 2026 through May 25, 2033, on that certain Loan Agreement, dated September 13, 2004, in the original principal amount of \$1,393,000, entered into by the Town and the PBA of the City of Clarksville, in order to convert the loan from a variable rate to a fixed rate debt.

The Town understands that TLDA must be notified of the issuance, even if the Refunding Bond will not be on a parity with any SRF loans the Town has outstanding.

Therefore, this is to give notice that the Town acknowledges that the Refunding Bond will be issued subordinate to its outstanding SRF Loans.

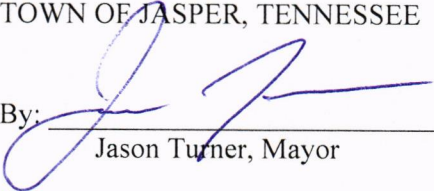
The purchaser of the Refunding Bond has agreed that the Refunding Bond will be subordinate to the Town's outstanding SRF Loans.

The Town will submit a Plan of Refunding to the Comptroller's Office. The Town intends to adopt the necessary refunding bond resolution at its September 8, 2025 meeting, and to issue the Refunding Bond on October 21, 2025, in order to have funds to prepay the loan on October 25, 2025.

If you have any questions or need any additional information, please let me know.

Yours truly,

TOWN OF JASPER, TENNESSEE

By: 

Jason Turner, Mayor



JASON E. MUMPOWER
Comptroller

August 19, 2025

Mr. Jason Turner
Mayor
32 Courthouse Square
Jasper, TN 37243

Dear Mayor Turner:

This letter acknowledges that the Town of Jasper (the "Town") has provided written notice to the Tennessee Local Development Authority (the "TLDA") of its intent to issue a Water & Sewer System Revenue and Tax Refunding Bond, Series 2025, in the amount of \$163,067 for the purpose of prepaying the outstanding principal on existing debt. The debt will be issued with a lien position that is subordinate to the lien position of its outstanding State Revolving Fund (SRF) loans.

Please let us know if you need any additional information in this regard.

Sincerely,

A handwritten signature in black ink that reads "Sandra Thompson".

Sandra Thompson
Director
Assistant Secretary to the Tennessee Local Development Authority
Division of State Government Finance
Office of the Comptroller of the Treasury

cc: Linda Mooningham (lmooningham@tmbf.net)
Sheila Reed (sheila.reed@cot.tn.gov)
Paula Turney (paulaturney@jaspertn.gov)

**TOWN OF WHITE PINE
P. O. BOX 66
WHITE PINE, TENNESSEE 37890**

August 13, 2025

Ms. Sandra Thompson
Director
Tennessee Local Development Authority
Cordell Hull Building
425 Rep John Lewis Way N
Nashville, Tennessee 37243

Via Email

Re: Town of White Pine, Tennessee \$440,277 Water and Sewer System Revenue and Tax Capital Outlay Note, Series 2025

Dear Ms. Thompson:

The Town of White Pine, Tennessee (the "Town"), intends to issue its \$440,277 Water and Sewer System Revenue and Tax Capital Outlay Note, Series 2025 (the "Note"), for the purpose of financing improvements to the water and sewer systems of the town, including the replacement of water meters for the water system, the acquisition of all property real and personal appurtenant thereto and connected with such work, to pay all legal, fiscal, administrative, architectural, and engineering costs incident thereto.

The Town understands that TLDA must be notified of the issuance, even if the Note will not be on a parity with any SRF loans the Town has outstanding.

Therefore, this is to give notice that the Town acknowledges that the Note will be issued subordinate to its outstanding SRF Loans.

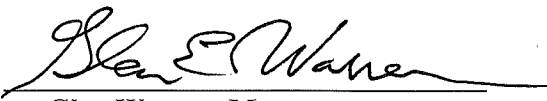
The purchaser of the Note has agreed that the Note will be subordinate to the Town's outstanding SRF Loans.

The Town adopted the necessary note resolution at its August 5, 2025 meeting, and plans to issue the Note on August 28, 2025. Therefore, the Town respectfully requests that the forty-five (45) day notice for written notification be waived.

If you have any questions or need any additional information, please let me know.

Yours truly,

TOWN OF WHITE PINE, TENNESSEE

By: 
Glen Warren, Mayor



JASON E. MUMPOWER
Comptroller

August 19, 2025

Mr. Glen Warren
Mayor
PO Box 66
White Pine, TN 37890

Dear Mayor Warren:

This letter acknowledges that the Town of White Pine (the "Town") has provided written notice to the Tennessee Local Development Authority (the "TLDA") of its intent to issue a Water & Sewer System Revenue and Tax Capital Outlay Note, Series 2025, in the amount of \$440,227 for the purpose financing improvements to its water and sewer systems. The debt will be issued with a lien position that is subordinate to the lien position of its outstanding State Revolving Fund (SRF) loans.

Please let us know if you need any additional information in this regard.

Sincerely,

A handwritten signature in black ink that reads "Sandra Thompson". The signature is fluid and cursive, with the first name "Sandra" being more prominent than the last name "Thompson".

Sandra Thompson
Director
Assistant Secretary to the Tennessee Local Development Authority
Division of State Government Finance
Office of the Comptroller of the Treasury

cc: Linda Mooningham (lmooningham@tmbf.net)
Sheila Reed (sheila.reed@cot.tn.gov)
Alyson Susong (asusong@whitepinetn.gov)