

TENNESSEE LOCAL DEVELOPMENT AUTHORITY
January 21, 2020

The Tennessee Local Development Authority (the Authority or TLDA) met on Tuesday, January 21, 2020, at 10:15 a.m. in Senate 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 P. Wilson, Comptroller of the Treasury
 The Honorable David H. Lillard, Jr., State Treasurer
 Angela Scott, Proxy for Commissioner Stuart C. McWhorter, Department of Finance and Administration

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

Dr. Kenneth L. Moore, House Appointee
 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 then proceeded to perform a roll-call:

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

Mr. Hargett asked for a motion to approve the minutes of the December 13, 2019, TLDA meeting. Mr. Lillard made a motion to approve the minutes, and Mr. Wood seconded the motion. Mr. Hargett conducted a roll-call vote:

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

The minutes were unanimously approved.

Mr. Hargett stated that the next item on the agenda was consideration of approval for a Clean Water State Revolving Fund (CWSRF) loan. He called upon Dr. Leslie Gillespie-Marthaler, Director of the State Revolving Fund (SRF) program for the Tennessee Department of Environment and Conservation (TDEC), to present the loan request. Dr. Gillespie-Marthaler first presented the unobligated fund balance. She stated the balance was \$96,094,569 as of December 13, 2019. Upon approval of the loan request to be presented totaling \$10,671,200, the funds available for loan obligations would be \$85,423,369. She then described the CWSRF loan request.

- **Hamilton County Water and Wastewater Authority (“WWTA”) (SRF 2020-443)** Requesting \$10,671,200 for infiltration and inflow corrections of the East Ridge Rehabilitation Basin 3C and 4B

(rehabilitating/repairing approximately 38,500 linear feet of existing 6-inch through 12-inch diameter gravity sewer lines using cured-in-place pipe, pipe bursting, and open cut replacement methods; repairing 500 connections of service laterals to sewer lines; performing 30 point repairs; replacing 140 manhole frames and covers; and repairing 1,600 vertical feet of manholes in East Ridge Sewer Basins 3C and 4B; recommended interest rate of 1.47% based on the Ability to Pay Index (ATPI); Priority ranking 58, 59 of 73 (FY 2019); Term 20 years.

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

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

The motion was unanimously approved.

Mr. Hargett stated that the next item on the agenda was consideration of approval for a Drinking Water State Revolving Fund (DWSRF) loan. He recognized Dr. Leslie Gillespie-Marthaler to present the loan request. Dr. Gillespie-Marthaler stated the DWSRF unobligated balance was \$73,609,713 as of December 13, 2019. Upon approval of the loan request to be presented totaling \$886,000, the funds available for loan obligations would be \$72,723,713. She then described the DWSRF loan request.

- **Bell Buckle (DW8 2020-221)** Requesting \$886,000 (\$886,000 (100%) principal forgiveness) for a Webb water storage tank replacement (replacing the existing 160,000-gallon water storage tank located at the Webb School with a new 160,000-gallon water storage tank and associated valves and piping.); recommended interest rate of 0.00% based on the ATPI; priority ranking 29 of 43 (FY 2019); Term 20 years.

Dr. Gillespie-Marthaler noted that Bell Buckle's mayor was present at today's TLDA meeting and said that the Town was one of three pilot projects (including Oliver Springs and Dyersburg) in the SRF program. She stated that the focus/priority of this pilot was to address water infrastructure for the State, and reported that it would provide templates, demonstrations, and education in regard to asset management plans and planning tools for small communities with drinking water, clean water, storm water, and natural resource infrastructure systems. Dr. Gillespie-Marthaler explained that one of the most pervasive issues in small communities across the state was the development and use of asset management plans that allowed communities to identify and prioritize infrastructure work as an alternative to just moving from one problem to another. Furthermore, she stated that Bell Buckle had excelled in the process of asset management, which made it financially viable, and that TDEC would use it as an example for other small communities. She continued, saying that educational workshops would be provided for Bell Buckle and that other communities would be invited to participate in the workshops as well. She stated that TDEC would be inviting other partners to assist with and promote the educational process of the pilot. Dr. Gillespie-Marthaler continued, saying that the information collected from the three SRF pilots would be used to develop a robust process for future efforts, and that TDEC's Intended Use plans would be brought forward at its next spring meeting; the meeting would be open to the public and subject to public comment for a 30 day period. She said that TDEC would then report back to the TLDA and have open conversation as to the outcome of the pilots and the benefits it may hold going forward for the state of Tennessee and the SRF program. Mr. Hargett stated that he had been apprised of Bell Buckle's forward-thinking in regard to the SRF pilot program and requested that the meeting minutes reflect Dr. Gillespie-Marthaler's positive comments about the Town.

Mr. Hargett inquired if there was any discussion. Hearing none, he made a motion to approve the loan, and Mr. Lillard seconded the motion. Mr. Hargett conducted a roll-call vote:

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

The motion was unanimously approved.

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

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

The meeting was adjourned.

Approved on this 6th day of March, 2020.

Respectfully submitted,



Sandra Thompson
Assistant Secretary