TENNESSEE LOCAL DEVELOPMENT AUTHORITY
November 28, 2022

The Tennessee Local Development Authority (the "TLDA") met on Monday, November 28, 2022, at 2:00 p.m. in the Volunteer Conference Center, Second 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:

The Honorable Jason E. Mumpower, Comptroller of the Treasury
The Honorable David H. Lillard, Jr., State Treasurer
Commissioner Jim Bryson, Department of Finance and Administration
Mayor Paige Brown, House Appointee

The following member was absent:

The Honorable Bill Lee, Governor

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

Mr. Hargett stated that the first item on the agenda was approval of the minutes from the October 19, 2022, TLDA meeting. Mr. Bryson made a motion to approve the minutes, and Mr. Mumpower seconded the motion. Mr. Hargett asked all in favor to say aye and all opposed to say no. By a vote of 5 – 0, the motion carried, and the minutes were unanimously approved.

Mr. Hargett stated that the next item on the agenda was the consideration and approval of Clean Water State Revolving Fund (CWSRF) loan requests, and stated that, unless there was any objection, the TLDA would hear the two loan requests prior to asking for a motion to approve. Hearing none, he recognized Mr. Adeniyi Bakare, SRF Program Manager with the Tennessee Department of Environment and Conservation, to present the loan requests. Mr. Bakare first presented the Report on Funds Available for Loan Obligation for the CWSRF Loan Program. He stated the unobligated fund balance was $182,330,810 as of October 19, 2022. Upon approval of the loan requests to be presented totaling $9,078,445, the remaining funds available for loan obligations would be $173,252,365. He then presented the CWSRF loan requests.

- **Dyersburg (CG20 2023-479)** Requesting $7,982,000 ($6,385,600 (80%) loan; $1,596,400 (20%) principal forgiveness) green project – infiltration and inflow correction (Rehabilitation of approximately 40,100 linear feet of 6-inch through 36-inch diameter sewer lines by methods of cured in place pipe and/or pipe bursting; and the lining of approximately 3,000 vertical feet of manholes) and pump station improvements (Replacement of two pumps and the installation of a generator at the Public Works PS; recommended interest rate of 1.87% based on the Ability to Pay Index (ATPI); Priority ranking 35 and 36 of 53 (FY2021); Term: 20 years

- **Westmoreland (CW9 2023-335)** Requesting $1,096,445 ($877,156 (80%) loan; $219,289 (20%) principal forgiveness) Wastewater Treatment Plant (WWTP) improvements/advanced treatment (Construction of a new 3 million gallons per day WWTP to replace the existing treatment facility); recommended interest rate of 2.66% based on the ATPI; Priority ranking 64 of 64 (FY2020); Term: 20 years

Mr. Hargett inquired if there was any discussion. Hearing none, Mr. Mumpower made a motion to approve the loans, and Mr. Bryson seconded the motion. Mr. Hargett asked all in favor to say aye and all opposed to say no. By a vote of 5 – 0, the motion carried, and the loans were unanimously approved.

[i] The senate appointee position was vacant at the time of this meeting.

Mr. Hargett stated that the next item on the agenda was consideration and approval of a Drinking Water State Revolving Fund (DWSRF) loan. He called upon Mr. Bakare to present the loan request. Mr. Bakare first presented the Report on Funds Available for Loan Obligation for the DWSRF Loan Program. He stated the unobligated fund balance was $67,389,667 as of October 19, 2022. Upon approval of the loan request to be presented totaling $2,250,000, the remaining funds available for loan obligations would be $65,139,667. He then presented the DWSRF loan request.

- **Hartsville-Trousdale County Government (DW8 2021-239)** Requesting $2,250,000 for distribution system improvements (Construction of a new two-million-gallon water storage tank, a booster pumping station, and associated appurtenances); recommended interest rate of 2.78% based on the ATPI; Priority ranking 6 of 48 (FY2020); Term: 20 years

Mr. Hargett inquired if there was any discussion. Hearing none, Mr. Bryson made a motion to approve the loan, and Mr. Mumpower seconded the motion. Mr. Hargett asked all in favor to say aye and all opposed to say no. By a vote of 5 – 0, the motion carried, and the loan was unanimously approved.

Mr. Hargett stated that the next item on the agenda was consideration for approval of an amendment to the financial advisor contract with PFM Financial Advisors, LLC. He called upon Ms. Sandra Thompson, TLDA Assistant Secretary and the Director of the Division of State Government Finance (DSGF), to present the item. Ms. Thompson stated that PFM Financial Advisors, LLC, was the financial advisor to the Comptroller on financial issues of the State of Tennessee, the Tennessee State Funding Board, the Tennessee State School Bond Authority, and the Tennessee Local Development Authority. She stated that PFM and the Comptroller's office had a three-year contract term, which commenced on January 1, 2020, with a termination date of December 31, 2022. She further stated that the amendment would provide for a one-year extension contract term to begin on January 1, 2023, and expire on December 31, 2023. Ms. Thompson said that PFM had continued to provide excellent service to the TLDA and its staff. Therefore, staff recommended approval of the amendment to extend the contract term for one year. Mr. Hargett inquired if there was any discussion. Hearing none, Mr. Bryson made a motion to approve the amendment, and Ms. Brown seconded the motion. Mr. Hargett asked all in favor to say aye and all opposed to say no. By a vote of 5 – 0, the motion carried, and the amendment was unanimously approved

Mr. Hargett stated that the next item of business was the re-consideration of a request from the City of Chattanooga to issue an EPA WIFIA loan in an amount not to exceed, $186,080,000 on parity with its outstanding SRF loan agreements. He stated that the request would revise the amount of the loan requested and approved at the TLDA meeting on October 19, 2022, from $186,000,000 to $186,080,000. He called upon Ms. Thompson to present the item. Ms. Thompson stated that the City's loan was approved by the TLDA, in an amount not to exceed $186,000,000, at its meeting on October 19, 2022. She explained that while compiling documents for closing, it was noticed that the amount of the WIFIA loan should be $186,080,000 instead of the $186,000,000. She stated that the City subsequently requested approval for the corrected amount of $186,080,000. Mr. Hargett inquired if there was any discussion. Hearing none, Mr. Bryson made a motion to approve the loan, and Mr. Mumpower seconded the motion. Mr. Hargett asked all in favor to say aye and all opposed to say no. By a vote of 5 – 0, the motion carried, and the correction to the loan was unanimously approved

Mr. Hargett stated that the next item on the agenda was a report on the notification from the Metropolitan Government of Nashville and Davidson County (Metro) submitted to comply with TLDA SRF Policy and Guidance for Borrowers. He called upon Ms. Thompson to present the report. Ms. Thompson stated that Metro had provided notice to the TLDA of its intent to issue notes to provide interim financing for water and sewer system improvements. She said the notes would also replace its current commercial paper program, which would expire in January. She stated that this was a notification and would not require action by the TLDA board. Mr. Hargett asked if there were any questions about the report. There were no questions. No board action was needed.

Hearing no other business, Mr. Hargett asked for a motion to adjourn the meeting. Mr. Mumpower made a motion to adjourn, and Mr. Bryson seconded the motion. Mr. Hargett asked all in favor to say aye and all opposed to say no. By a vote of 5 – 0, the motion carried, and the meeting was adjourned.

Approved on this 15th day of February, 2022.

Respectfully submitted,

Sandra Thompson

Sandra Thompson
Assistant Secretary