

**TENNESSEE LOCAL DEVELOPMENT AUTHORITY**

**June 24, 2024**

The Tennessee Local Development Authority (the "TLDA") met on Monday, June 24, 2024, at 2:51 p.m. in the Volunteer Conference Center, 2<sup>nd</sup> Floor, Cordell Hull Building, Nashville, Tennessee. Commissioner Jim Bryson, Department of Finance and Administration, was present and presided over the meeting.

The following members or proxies were also present:

Mr. Chris Mustain, proxy for the Honorable Tre Hargett, Secretary of State  
 Mr. William Wood, proxy for the Honorable Jason E. Mumpower, Comptroller of the Treasury  
 Mr. Jamie Wayman, proxy for the Honorable David H. Lillard, Jr., State Treasurer  
 Mayor Paige Brown, House Appointee

The following member participated electronically as authorized by Tennessee Code Annotated § 8-44-108:

Mayor Rollen "Buddy" Bradshaw, Senate Appointee

The following member was absent:

The Honorable Bill Lee, Governor

Recognizing a physical quorum present, Commissioner Bryson called the meeting to order. Commissioner Bryson asked Ms. Sandra Thompson, TLDA Assistant Secretary and the Director of the Division of State Government Finance (SGF) to conduct a roll call:

Commissioner Bryson—Present  
 Mr. Wood—Present  
 Mr. Wayman—Present  
 Mr. Mustain—Present  
 Mayor Bradshaw—Present  
 Mayor Brown—Present

Commissioner Bryson, in accordance with Public Chapter 300 and Board guidelines, asked Ms. Thompson if any requests for public comment had been received. Ms. Thompson responded that no requests for public comment had been received.

Commissioner Bryson stated that the next item of business was approval of the minutes from the May 14, 2024, TLDA meeting. He inquired if there were any questions or comments. Hearing none, Mr. Wood moved approval, and Mr. Wayman seconded the motion. Commissioner Bryson asked Ms. Thompson to conduct a roll call vote:

Commissioner Bryson—Aye  
 Mr. Wood—Aye  
 Mr. Wayman—Aye  
 Mr. Mustain—Aye  
 Mayor Bradshaw—Aye  
 Mayor Brown—Aye

The minutes were unanimously approved.

Commissioner Bryson stated that the next item on the agenda was the requests from the City of Humboldt (the "City") and the Humboldt Utilities Authority (the "Authority"). He recognized Ms. Vena Jones, Program Manager, with the Tennessee Department of Environment and Conservation ("TDEC") Division of Water Resources, to present the requests. Ms. Jones proceeded to present the two requests: 1) Consideration of a request to transfer (through the

issuance of new SRF loans with same terms) the City's SRF loans to the Authority and to update and revise the security for the loans to be the combined water and sewer revenues of the system (previously, SRF loans had been secured individually by either the water system or the sewer system), 2) Consideration for approval of a request from the Authority to issue water and sewer revenue bonds in an amount not to exceed \$400,000 on parity with its SRF loans. Ms. Jones stated that TDEC had reviewed the requests and had determined that the Authority had sufficient revenues to service the debt. Ms. Jones further stated that the Authority would be required to make a security deposit for each loan totaling \$1,243,369. Ms. Jones added that the City had a history of timely loan repayments, and that the Authority's debt service coverage met the 1.2 times requirement. Ms. Jones stated that the required documents were received and included in the meeting materials. Commissioner Bryson stated that the Authority had representatives<sup>1</sup> attending the meeting virtually and asked if they had any comments. There were no comments. Commissioner Bryson asked for a motion to approve the request to transfer the City's SRF loans to the Authority and to approve the request for the Authority to issue water and sewer revenue bonds in an amount not to exceed \$400,000 on parity with its SRF loans. Mr. Wayman made a motion to approve the requests, and Mr. Mustain seconded the motion. Commissioner Bryson asked Ms. Thompson to conduct a roll call vote:

Commissioner Bryson—Aye  
 Mr. Wood—Aye  
 Mr. Wayman—Aye  
 Mr. Mustain—Aye  
 Mayor Bradshaw—Aye  
 Mayor Brown—Aye

The requests were unanimously approved.

Commissioner Bryson stated that the next item on the agenda was the consideration and approval of a Clean Water State Revolving Fund (CWSRF) loan. He recognized Ms. Jones to present the request. Ms. Jones first presented the Report on Funds Available for Loan Obligation for the CWSRF Loan Program. She stated the unobligated fund balance was \$127,569,412 as of May 14, 2024. Since that time, the unobligated balance had increased by \$2,308,625 with the return of unused loan funding for projects from Johnson City and the Metropolitan Government of Lynchburg and Moore County. Upon approval of the loan request to be presented totaling \$1,300,000, the remaining funds available for loan obligations would be \$128,578,037. She then presented the CWSRF loan request.

- **Rocky Top (CW8 2023-482-01)** Requesting \$1,300,000 for an inflow and infiltration correction: Rehabilitation of approximately 33,000 linear feet of sewer lines by methods of cured-in-place-piping, pipe bursting, and/or open cut, and manhole rehabilitation. This construction only project was categorized as a Green Project Reserve project; recommended interest rate of 1.24% based on the Ability to Pay Index (ATPI); Priority ranking 35 of 104 (FY2022); Term: 20 years

Commissioner Bryson asked for a motion to approve the request. Mr. Wood motioned to approve the loan, and Commissioner Bryson seconded the motion. Commissioner Bryson asked Ms. Thompson to conduct a roll call vote:

Commissioner Bryson—Aye  
 Mr. Wood—Aye  
 Mr. Wayman—Aye  
 Mr. Mustain—Aye  
 Mayor Bradshaw—Aye  
 Mayor Brown—Aye

The loan was unanimously approved.

Commissioner Bryson stated that the next item on the agenda was the consideration and approval of a Drinking Water State Revolving Fund (DWSRF) loan. He recognized Ms. Jones to present the requests. Ms. Jones first

<sup>1</sup> Mr. Alex Smith, the Authority's General Manager, and Ms. Betsy Knotts, an attorney with Bass Berry & Sims, were present via TEAMS.

presented the Report on Funds Available for Loan Obligation for the DWSRF Loan Program. She stated the unobligated fund balance was \$50,388,407, as of May 14, 2024. Since that time, the unobligated had increased by \$335,860 with the return of unused loan funding for a project from the City of Trenton. Upon approval of the loan request to be presented totaling \$5,500,000, the remaining funds available for loan obligations would be \$45,224,267. She then presented the DWSRF loan request.

- **Cookeville (DWF 2022-244-01)** Requesting \$5,500,000 for a water treatment plant expansion (WTP); Expansion of the existing WTP's capacity from 15 million gallons per day (MGD) to 22.5 MGD; recommended interest rate of 1.85% based on the ATPI; Priority ranking 18 of 72 (FY2021); Term: 20 years

Commissioner Bryson inquired if there were any questions or comments. Hearing none, Commissioner Bryson asked for a motion to approve the loan. Mr. Wood motioned to approve the loan, and Mayor Brown seconded the motion. Commissioner Bryson asked Ms. Thompson to conduct a roll call vote:

Commissioner Bryson—Aye  
 Mr. Wood—Aye  
 Mr. Wayman—Aye  
 Mr. Mustain—Aye  
 Mayor Bradshaw—Aye  
 Mayor Brown—Aye

The loan was unanimously approved.

Commissioner Bryson stated that the next item of business was a report on the notification from the Town of Chapel Hill (the "Town"). He recognized Ms. Thompson to present the item. Ms. Thompson stated that this was a notification only item and no approval was needed. Ms. Thompson stated that the Town submitted the notification of its intent to enter into a water and sewer system Public Building Authority (PBA) loan with the City of Clarksville in an amount not to exceed \$17,000,000. She stated that the Town had an SRF loan, and that the PBA loan would be issued subordinate to the SRF loan. She stated that the notification was required by the TLDA SRF Policy and Guidance for Borrowers. She further stated that the Town requested a waiver of the 45-day notice requirement and that the waiver had been granted. Commissioner Bryson thanked Ms. Thompson for the report.

Commissioner Bryson asked if there were any other business to address. Hearing no other business, Commissioner Bryson called for a motion to adjourn. Mayor Brown motioned to adjourn the meeting, and Mr. Wood seconded the motion. Commissioner Bryson asked Ms. Thompson to conduct a roll call vote:

Commissioner Bryson—Aye  
 Mr. Wood—Aye  
 Mr. Wayman—Aye  
 Mr. Mustain—Aye  
 Mayor Bradshaw—Aye  
 Mayor Brown—Aye

The meeting was adjourned.

Approved on this 22<sup>nd</sup> day of July, 2024.

Respectfully submitted,

  
 Sandra Thompson  
 Assistant Secretary

