# TENNESSEE LOCAL DEVELOPMENT AUTHORITY

## July 27, 2026

The Tennessee Local Development Authority (the "TLDA" or the "Authority") met on Monday, July 27, 2026, at 9:05 a.m., CT, in the Volunteer Conference Center, 2nd Floor, Cordell Hull Building, Nashville, Tennessee. Comptroller Jason Mumpower was present and presided over the meeting.

## Additional Members Physically Present

- Chris Mustain, Proxy for the Honorable Tre Hargett, Secretary of State
- 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

## Absent Member

- The Honorable Bill Lee, Governor

## Quorum Establishment

With a physical quorum present, Comptroller Mumpower called the meeting to order.

## Requests for Public Comment

In accordance with Tenn. Code Ann. § 8-44-112 and Board guidelines, Comptroller Mumpower stated that four requests for public comment had been received and noted that all four requests were received after the deadline for submission pursuant to TLDA policy. Comptroller Mumpower made a motion to allow public comment, and Commissioner Bryson seconded the motion. Comptroller Mumpower called for a vote, and the motion passed unanimously. Comptroller Mumpower explained that TLDA policy allowed two speakers in favor of an item and two speakers opposed to an item. He stated that one speaker requested to speak in opposition to agenda items number 4 and 5, and three speakers requested to speak in favor of agenda item number 4. He motioned to allow all four speakers to provide public comment, and Commissioner Bryson seconded the motion. Comptroller Mumpower called for a vote, and the motion passed unanimously. Comptroller Mumpower asked the speakers to come forward in the order in which the requests were received.

- Mr. Jason Gilliam spoke in opposition to agenda item number 4 regarding the City of Columbia's (Columbia) request for a $75,000,000 State Revolving Fund (SRF) loan and in opposition to agenda item number 5 regarding Columbia's request to issue a WIFIA loan on parity with the proposed SRF loan. He stated that he is a resident of Maury County and that he and other residents do not support Columbia's proposed project. He stated that the cost of the project was exorbitantly high and would put the ratepayers in debt for 30 years. He stated that he had concerns about a Columbia Power and Water Systems (CPWS) board member's comment from a special called meeting regarding CWPS's ability to repay the proposed debt. He stated that the project was not in the best interest of the system's ratepayers and was too costly in relation to the benefits that project would provide.

- Mr. David Money spoke in support of agenda item number 4 regarding Columbia's SRF loan request. He introduced himself as the Director of the Tennessee Duck River Developmental Agency (DRDA) and stated that DRDA supports CPWS's pipeline project. He stated that the proposed project has been supported by feasibility studies since 2000. He stated that in 2011, a comprehensive regional supply plan identified the project as a cornerstone alternative and that the plan was reevaluated for feasibility in 2025. He stated that the project will meet the needs of Maury County for 50 years and that DRDA has obligated $10,000,000 for the project.

- Mr. Carter Napier spoke in support of agenda item number 4 regarding Columbia's SRF loan request. He introduced himself as the City Administrator for the City of Spring Hill (Spring Hill). He stated that Spring Hill's mayor and board of aldermen passed a resolution in support of CPWS's project and Spring Hill supports the SRF loan request.

- Mr. Dan Allen spoke in support of agenda item number 4 regarding Columbia's SRF loan request. He introduced himself as the Assistant City Administrator for Spring Hill and the General Manger for Spring Hill Water. He reiterated that Spring Hill supports the project. He addressed issues and public commentary regarding the downstream intake project. He stated that Spring Hill has a contract to purchase 3,000,000 gallons of water per day from CPWS and future agreements and partnerships will increase water intake to 8,000,000 gallons per day. He stated that this is a proportional increase in comparison to other customers and stated that Spring Hill, CWPS, and Columbia have a longstanding partnership.

Comptroller Mumpower thanked the speakers.

## Approval of Minutes

Comptroller Mumpower stated that the first item of business was approval of the minutes from the June 22, 2026, TLDA meeting. Commissioner Bryson moved approval of the minutes, and Treasurer Lillard seconded the motion. Comptroller Mumpower asked if there was any discussion. Hearing none, he called for a vote.

The minutes were approved.

## Clean Water State Revolving Fund (CWSRF) Loan Requests

Comptroller Mumpower stated that the next item on the agenda was consideration of approval of State Revolving Fund Clean Water Loans and recognized Ms. Vena Jones, Program Manager at the Tennessee Department of Environment and Conservation (TDEC), to present the loan requests. Ms. Jones first provided the fund balance report, stating that the unobligated balance as of June 22, 2026, was $375,398,724. Upon approval of the loan requests being presented totaling $7,543,000, the projected fund balance would be $367,855,724. Ms. Jones further reported that as of June 22, 2026, the unobligated balance for the Emerging Contaminants Fund was $1,736,000. She then proceeded to present the clean water loan requests.

### Pikeville CWSRF

| Applicant | Loan Number | Base Loan | Principal Forgiveness | Total Request | Interest Rate | Term (Years) |
|---|---|---|---|---|---|---|
| Pikeville | CW23 2025 500-01 | $3,550,000 | $1,450,000 | $5,000,000 | 1.40% | 20 |

Ms. Jones first presented Pikeville's loan request noting that they are economically disadvantaged. Comptroller Mumpower made a motion to approve the loan request, and Treasurer Lillard seconded the motion.

Comptroller Mumpower asked if there was any additional debt being issued for this project. Ms. Jones explained that the project was initially expected to be funded entirely with American Rescue Plan (ARP) grant funds; however, the cost was higher than estimated resulting in the need for additional funds to complete the project. In addition to ARP and SRF funds, she noted the use of Community Block Development Grant funds. Comptroller Mumpower asked about debt service requirements and the life of the project compared to the life of the debt service. Ms. Jones confirmed that all debt service for this project was factored into the financial sufficiency review and that the asset life did not exceed the life of the debt service. The board further discussed measures of affordability and Ms. Jones stated that the loan was within range of what was considered affordable based on a national metric which looks at the rates as a percent of household income

Comptroller Mumpower called for a vote and all members responded affirmatively. The loan was approved.

### Maynardville CWSRF

| Applicant | Loan Number | Base Loan | Principal Forgiveness | Total Request | Interest Rate | Term (Years) |
|---|---|---|---|---|---|---|
| **Maynardville** | 2024-10783 | $71,500 | $71,500 | $143,000 | 1.45% | 5 |

Ms. Jones next presented Maynardville's loan request noting that they are economically disadvantaged. Comptroller Mumpower moved approval of the loan request, and Treasurer Lillard seconded the motion. Comptroller Mumpower asked if the project included other debt. Ms. Jones responded that the SRF loan was the only debt but noted that the loan was only for the planning and design and that Maynardville would later have a better understanding of construction costs and may apply for additional SRF funds in the future.

Comptroller Mumpower called for a vote and all members responded affirmatively. The loan was approved.

### Pegram CWSRF

| Applicant | Loan Number | Base Loan | Principal Forgiveness | Total Request | Interest Rate | Term (Years) |
|---|---|---|---|---|---|---|
| **Pegram** | CWB22 2026-504 | $2,400,000 | $0 | $2,400,000 | 3.31% | 20 |

Ms. Jones presented Pegram's loan request noting that they are not economically disadvantaged, and therefore, they did not qualify for principal forgiveness. Comptroller Mumpower moved approval of the loan request, and Commissioner Bryson seconded the motion. Comptroller Mumpower asked if additional debt was associated with the project and about the life of the loan compared to the life of the project. Ms. Jones confirmed this loan is the entire amount to be issued for the Pegram project and that the project would reasonably serve the community for 20 years.

Comptroller Mumpower called for a vote and all members responded affirmatively. The loan was approved.

## Drinking Water State Revolving Fund (SRF) Loan and Lien Modification Request

### Columbia

Comptroller Mumpower stated that the next item on the agenda was a drinking water loan request from the City of Columbia (Columbia) and that it had two parts. He stated that the first part of the request was the consideration of a request to issue the proposed SRF loan on parity with its Water System Anticipation Notes, Series 2023 and Series 2025 (the "Notes"). He recognized Ms. Kayla Carr, Director of the Division of State Government Finance and TLDA Assistant Secretary, to describe the request. Ms. Carr explained that the City had issued the Notes as interim financing and that the City planned to pay off these loans with proceeds of a Water Infrastructure Finance and Innovation Act (WIFIA) financing. She stated that since these Notes were already outstanding, the bank holding the notes had consented to give the SRF loan the improved parity status. Ms. Carr explained that the City was requesting that the Notes, the SRF loan, and anticipated WIFIA bonds all be on parity, but the latter was a separate agenda item.

Comptroller Mumpower then asked Ms. Jones to present the second part of the request for approval of a $75,000,000 SRF loan. Ms. Jones first provided the fund balance report. The unobligated balance at June 22, 2026, was $163,943,968. With the return of $376,016 of unused funds and upon approval of the $75,000,000 loan request to be presented, the fund balance would become $89,319,984. Ms. Jones further reported that as of June 22, 2026, the unobligated balance for the Drinking Water Emerging Contaminants Fund was $25,177,245 and the unobligated balance for Lead Service Line Fund was $202,501,082. Ms. Jones then presented the loan request.

| Applicant | Loan Number | Base Loan | Principal Forgiveness | Total Request | Interest Rate | Term (Years) |
|---|---|---|---|---|---|---|
| **Columbia** | 2024-10571 | $75,000,000 | $0 | $75,000,000 | 3.06% | 30 |

Ms. Jones stated that the loan request is for planning, design, and construction to expand capacity at their existing drinking water treatment plant. Ms. Jones explained that Columbia Power and Water Systems (CPWS) was currently operating above 90 percent of its drinking water plant capacity and must expand the water treatment plant to maintain compliance with the Safe Drinking Water Act. She noted that the $75,000,000 SRF loan before the Authority was the first portion of a two-phase $135,000,000 SRF financing package, for the expansion of the water plant. She stated that Columbia was also seeking a WIFIA loan and that $70,000,000 of WIFIA proceeds would be used for the construction of the water plant in conjunction with SRF funds. She also confirmed that TDEC had evaluated the City's finances including both SRF phases and the projected WIFIA debt and found them sufficient. Ms. Jones further described the project's useful life, anticipated at 30 to 50 years. She discussed rate increases, noting that rates would still be in an affordable range. Comptroller Mumpower made a motion to approve the request, and Commissioner Bryson seconded the motion.

## Board Discussion

Comptroller Mumpower stated that Ms. Jones had satisfactorily answered his questions about useful life and debt service coverage at this and last month's meeting. He then stated that he understood that the Duck River Planning Partnership (DRPP) had unanimously voted to support the SRF loan funding, but not necessarily the proposed WIFIA loan that was a separate agenda item, and asked Ms. Jones for confirmation. Ms. Jones responded that her understanding was the same, and she introduced Mr. David Salyers, Commissioner of TDEC and member of the DRPP, who confirmed the DRPP's unanimous support of the SRF loan.

Comptroller Mumpower clarified that his motion was to approve the SRF loan on parity with the outstanding Notes. He noted that approval of parity would improve SRF's lien position because SRF would otherwise be in a subordinate position. Commissioner Bryson asked Ms. Jones if TDEC considered the Note in its financial sufficiency review. Ms. Jones explained that the WIFIA loan would be used to extinguish the Note, and the amount of the Note was considered as part of the total WIFIA funding that was factored into the financial sufficiency review. Mayor Bradshaw expressed concerns about the useful life of the expanded plant capacity considering the large population growth that Maury County is experiencing. He asked Columbia if they had a plan to control growth. Columbia Mayor Chaz Molder responded that impact fees have been instituted for water and wastewater connections. He stated that these fees will help to offset the cost of growth. Comptroller Mumpower reiterated that the SRF loan will finance the expansion of plant capacity which is necessary from a public health standpoint because the current water treatment plant is operating beyond a safe capacity level.

Comptroller Mumpower called for a vote and all members responded affirmatively. The loan was approved on parity with the existing Notes.

## Request to Issue Additional WIFIA Debt with a Modified Lien Position

Comptroller Mumpower stated that the next item for consideration was a request from Columbia to issue WIFIA debt in an amount not to exceed $315,000,000 on parity with its SRF loan which was just approved. He recognized Ms. Carr to present the item. Ms. Carr described the request stating that $70,000,000 of the proceeds would be used to repay the Notes connected to plant expansion project. She stated that according to Columbia, this project addresses a critical need to provide water to customers throughout Maury County and that the project would include a new intake along the western portion of Maury County. Further, the intake and raw water pumps will be able to convey up to 32 million gallons of water per day. She stated that Columbia is requesting for this debt to be issued on parity with its SRF loan. Comptroller Mumpower made a motion to approve the item, and Commissioner Bryson seconded the motion. Comptroller Mumpower asked if there were questions from the members.

Treasurer Lillard asked Ms. Jones if SRF's debt service coverage requirements would still be met upon issuance of the WIFIA loan. Ms. Jones confirmed that the requirement would be met with the projected rate increases approved by Columbia. Treasurer Lillard stated that Columbia would need to keep tight controls around costs which could exceed current estimates. He further noted that while Columbia had made efforts to obtain public input from surrounding communities that those communities did not have a representative on Columbia's board. He stated that generally he preferred that formal public meetings be held in those areas that were affected to obtain public input. He stated that such meetings could help to provide the public with a better understanding of the project. He noted, however, that the TLDA is not a policy making body of the State, and stated that he hoped that the Governor and the General Assembly would consider legislation to require utilities to hold a formal public hearing in outside areas to obtain input from the public.

Commissioner Bryson stated that he understood the need for the water treatment plant; however, he recognized that data would be forthcoming from the DRPP. Mayor Brown inquired if Columbia had the ability to make adjustments to the project to align with forthcoming recommendations.

Commissioner Salyers responded that he chaired the DRPP and the DRPP had been meeting for over a year. He explained that Columbia's larger project plan has three parts: 1. Water treatment plant, 2. Transmission line, and 3. Intake. He stated that in addition to Columbia's project being reviewed by the DRPP, it had been vetted by other engineering organizations and other organizations with expertise. He stated that other studies have been done, but that Columbia's project is likely the only solution that could be implemented in the next five years. Commissioner Salyers stated that the DRPP's final report is expected to be released in November and that formal recommendations would be released in September. Mr. Jack Baxter, Interim CEO for CPWS stated that WIFIA was scheduled to close before the release of the recommendations. Mr. Baxter stated that the construction manager had secured a guaranteed maximum price for the project and emphasized the importance of being able to proceed with the project. He noted however that modifications could be made to the project to align with recommendations and such modifications would be allowable under the WIFIA program. Commissioner Bryson stated that DRPP was important to assess the best plan for the Duck River watershed and expressed the importance of considering DRPP's recommendations before the project moves forward. The Comptroller asked if the relocation of the intake was mandated by either TDEC or EPA. Commissioner Salyers responded that relocation is necessary to obtain the amount of water needed.

Mayor Bradshaw asked about the current residential user rate. Ms. Ashley Maddux, Chief Financial Officer for CPWS, responded that there is a five-year rate increase schedule. She stated the residential rate was initially $34.75 and is now $41.70 after the first scheduled rate increase. Comptroller Mumpower asked Ms. Maddux to review the approved five-year rate schedule. Ms. Maddux explained that the schedule contemplated rate increases up to 20 percent each year. The rates per 5000 gallons (including usage and customer charge) from 2025-2030 are as follows: $34.75, $41.70, $50.02, $60.04, $72.03, and $86.43. Mayor Bradshaw asked how rates are compared to other systems. Ms. Maddux responded that rates are currently in the lower tier and increases would bring rates into the upper third quadrant in comparison to nearby systems.

Commissioner Bryson asked about risk to WIFIA funding if the TLDA delayed its approval. Mr. Jeff Oldham, counsel to CPWS with Bass Berry and Sims, responded that a small delay of a few days would likely not be an issue, but he was uncertain of how the EPA would react to a longer delay and hurdles in obtaining necessary approval. Comptroller Mumpower reminded the Authority that Columbia could decline the loan and move forward with the project without TLDA approval of a parity position, but that would cost the ratepayers more money. He inquired about when WIFIA is expected to close. Mr. Baxter responded that the EPA had recently communicated its intent to close prior to Labor Day. Mayor Molder stated that approval of parity would not impair or diminish the DRPP's work or ability to determine an alternative to sourcing the water and that CWPS would be able to align with those recommendations. Mayor Molder stated that Columbia would like the TLDA to consider approval to preserve their ability to obtain low-cost financing. He stated if WIFIA is ready to close and parity has not been obtained, then Columbia would need to proceed with the WIFIA loan without the SRF loan resulting in an estimated additional cost of $50,000,000 to the ratepayers.

Commissioner Bryson stated that the risk of the DRPP having a different recommendation seems low, but he would like all parties to be in agreement prior to the TLDA's approval of parity. Comptroller Mumpower asked when the DRPP could have a recommendation. Commissioner Salyers responded that the DRPP could possibly discuss affirming the project at its August 10th meeting.

Mayor Brown asked for more information on the impact of a deferral. Mr. Baxter explained that construction could reasonably start in late September or October, but the concern of the deferral is rather about jeopardizing their ability to secure low-cost loans from both WIFIA and SRF. Comptroller Mumpower stated that he believes that having the DRPP recommendations would be in Columbia's best interest. Commissioner Bryson stated that if the DRPP could provide affirmation of Columbia's project at its next meeting, then the concerns of the TLDA could likely be resolved at the next TLDA meeting. Treasurer Lillard recommended that Commissioner Salyers and Commissioner Bryson meet with Governor Lee and have him contact the federal Office of Management and Budget and the federal bureau involved to ensure that the WIFIA loan will not be jeopardized.

Comptroller Mumpower moved to defer the request to the next TLDA meeting expected to be on August 24th, noting that a special-called meeting could be held if necessary. Treasurer Lillard seconded the motion.

Comptroller Mumpower called for a vote and all members responded affirmatively. The item was deferred.

## Report on the SRF Priority Ranking Lists

Ms. Jones provided a cumulative summary of priority ranking list data for years 2019-2025. She stated that the clean water program had 299 requests totaling $1.4 billion and 87 of those were funded in the amount of $612 million, and 29 requests, in the amount of $316 million, are still in process. She stated that the drinking water program had 326 requests during this timeframe totaling $1.1 billion. She stated that 84 loans were funded in the amount of $252 million and that 28 requests were still in progress totaling $300 million. She noted that some requests were duplicative requests meaning that a request not funded in one year could appear on a subsequent priority ranking list. She explained that the SRF program has implemented stricter expectations for timeliness and would bypass applicants who were not ready to move forward in a timely manner. The Comptroller acknowledged the report.

## Town of Brighton Notification

Comptroller Mumpower stated that the next item was a report on the notification submitted by the Town of Brighton in accordance with TLDA SRF Policy and Guidance for Borrowers. He recognized Ms. Carr to present the item. Ms. Carr reported that the Town would be issuing a $270,000 Water System Revenue and Tax Capital Outlay Note for improvements to its water system. She noted that the financing would be subordinate to the Town's existing SRF loans. She stated that this notification required no action by the Authority. Comptroller Mumpower acknowledged that the Authority was duly notified.

## Adjournment

Hearing no further business, Comptroller Mumpower moved to adjourn, and Commissioner Bryson seconded the motion. All members responded affirmatively.

The meeting was adjourned.

Approved on this 24th day of August, 2026.

Respectfully submitted,

Kayla Carr

Kayla Carr
Assistant Secretary