

HARTSVILLE/TROUSDALE COUNTY METROPOLITAN GOVERNMENT

RESOLUTION #2022-24-768

**RESOLUTION AUTHORIZING AND PROVIDING FOR THE FINANCING OF
THE CONSTRUCTION OF A WATER FACILITIES PROJECT DW8 2021-239
INCLUDING AUTHORIZING THE EXECUTION OF APPLICATIONS, CONTRACTUAL AGREEMENTS, AND
OTHER NECESSARY DOCUMENTS, AND MAKING CERTAIN REPRESENTATIONS, CERTIFICATIONS,
AND PLEDGES OF CERTAIN REVENUE IN CONNECTION WITH SUCH FINANCING**

WHEREAS, the Hartsville-Trousdale County Government is a public and governmental body in Hartsville (Trousdale County), Tennessee (the "Hartsville/Trousdale County Government"); and

WHEREAS, the Hartsville/Trousdale County Government has determined that it is necessary and desirable to undertake certain activities or tasks in connection with a water facilities project, Department of Environment and Conservation Number DW8 2021-239 (the "Project"), in and for the Hartsville/Trousdale County Government; and

WHEREAS, Drinking Water Revolving Loan Fund Act of 1997, Tennessee Code Annotated, Sections 68-221-1201 et seq., provide for the lending of funds in the water facilities Revolving Loan Fund to Hartsville/Trousdale County Government for the purpose of providing funds for Project Loans; and

WHEREAS, the Hartsville/Trousdale County Government has determined that it is necessary and advisable to borrow funds for the Project pursuant to these sections.

NOW, THEREFORE, be it resolved by the Hartsville/Trousdale County Commission as follows:

Section 1. Hartsville/Trousdale County Government hereby approves the creation of indebtedness on behalf of the Hartsville/Trousdale County Water and Sewer Department in the principal amount of two million two hundred fifty thousand dollars (\$2,250,000) by the obtaining of a Project Loan.

Section 2. The execution and delivery of the application for a Project Loan in the principal amount of two million two hundred fifty thousand dollars (\$2,250,000), for the purpose of funding all or a portion of the total estimated cost of the Project, which is two million two hundred fifty thousand dollars (\$2,250,000), by the Mayor of the Hartsville/Trousdale County Government, is hereby ratified and approved in all respects.

Section 3. The form, terms, and provisions of the agreement for the Project Loan among the Hartsville/Trousdale County Government, the Tennessee Department of Environment and Conservation and the Tennessee Local Development Authority (the "Loan Agreement"), as presented at this meeting, are hereby approved.

Section 4. The Hartsville/Trousdale County Government hereby agrees to honor and accept the method of financing as may be determined by the Authority pursuant to the Loan Agreement.

Section 5. The Hartsville/Trousdale County Government hereby agrees to make the monthly payments through the Hartsville/Trousdale County Water and Sewer Department on the Project Loan in accordance with the Payment Schedule to be attached to the Loan Agreement.

Section 6. The Hartsville/Trousdale County Government hereby agrees to levy fees, rates or charges for services provided by the Project and/or to levy ad valorem taxes sufficient to pay the interest on and principal of the Project Loan in accordance with the Loan Agreement. The Hartsville/Trousdale County Government also agrees to levy fees, rates, or charges and/or ad valorem taxes sufficient to pay the cost of operation and maintenance of the water system of which the Project is a part, which cost shall include depreciation and all other debt service expense of the system.

Section 7. The Hartsville/Trousdale County Government assigns and pledges its State-Shared Taxes to the State and consents to the withholding and application of State Shared Taxes in the event of failure by the Hartsville/Trousdale County Water and Sewer Department to remit monthly payments in accordance with the terms of the Loan Agreement, as the Loan Agreement may be supplemented or amended from time to time.

Section 8. The Hartsville/Trousdale County Government hereby agrees that there are no local pledges of State Shared Taxes other than those disclosed.

Section 9. The Hartsville/Trousdale County Government hereby agrees to obtain alternative methods of financing for all costs necessary for the completion of the Project which are in excess of the combined financing provided by any agency of the United States Government and by the Tennessee Local Development Authority.

Section 10. The Mayor of the Hartsville/Trousdale County Government is authorized and directed to execute the Loan Agreement, and any amendments or supplements to the Loan Agreement, in the name and behalf of the Hartsville/Trousdale County Government; to deliver such documents to the other parties to such documents, such execution and delivery to be conclusive proof of the approval of the Hartsville/Trousdale County Government of such documents; and to take such further action and to execute and deliver such further instruments or documents as such officer may consider necessary or advisable in connection with the Loan Agreement. Provided, however, this resolution shall not be deemed to grant authority to the named officer to approve any increase in the amount of the Project Loan.

Section 11. All orders, resolutions, or ordinances in conflict with this resolution are and the same are repealed insofar as such conflict exists. This resolution shall become effective immediately upon its passage.

Motion to approve as presented:

Motion to approve: **T Bubba Gregory**

Voice Vote

Second motion: **Lonnie Taylor**

Approved without opposition *Absent* **1**

RESOLVED AND APPROVED ON OCTOBER 24, 2022 IN REGULAR SESSION

APPROVED:

ATTEST:



Jack McCall
Commission Chair



Rita Crowder
County Clerk