

**CITY OF FAYETTEVILLE
DWF 2021-230
AUTHORIZING RESOLUTION 2021-02**

RESOLUTION AUTHORIZING AND PROVIDING FOR THE FINANCING OF THE CONSTRUCTION OF A WATER FACILITIES PROJECT, 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 City of Fayetteville is a public and governmental body in Fayetteville (Lincoln County), Tennessee (the "Local Government"); and

WHEREAS, the Local 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 DWF 2021-230 (the "Project"), in and for the Local 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 Local Governments for the purpose of providing funds for project loans; and

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

NOW, THEREFORE, be it resolved as follows:

Section 1. Local Government hereby approves the creation of indebtedness on behalf of the Local Government in the principal amount of six hundred twenty-one thousand dollars (\$621,000) 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 six hundred twenty-one thousand dollars (\$621,000) for the purpose of funding all or a portion of the total estimated cost of the Project, which is six hundred twenty-one thousand dollars (\$621,000), by Michael Whisenant, Mayor of the Local 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 Local 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 Local 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 Local Government hereby agrees to make the monthly payments on the project loan in accordance with the Payment Schedule to be attached to the Loan Agreement.

Section 6. The Local 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 Local 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 Local 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 Local Government 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 Local Government hereby agrees that there are no local pledges of State-Shared Taxes other than those disclosed.

Section 9. The Local 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 Local 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 Local 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 Local 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.

Duly passed and approved this 12th day of January, 2021.



Michael T. Whisenant, Mayor

WITNES



(Date)



City Administrator
(Name and Title)

Pam Gentry

From: Britt Dye [bdye@fpu-tn.com]
Sent: Tuesday, December 22, 2020 10:04 AM
To: Scott Collins; Michael Whisenant; Pam Gentry
Cc: Kim Posey
Subject: Finance Meeting

Good morning,

Can we be placed on the agenda to meet with the finance committee in January? If you have questions, please let me know.

Britt Dye
CEO/General Manager
Fayetteville Public Utilities
(931) 433-1522

This message may contain confidential and/or proprietary information and is intended for the person/entity to whom it was originally addressed. Any use by others is strictly prohibited.

A RESOLUTION APPROVING AND RECOMMENDING TO THE BOARD OF MAYOR AND ALDERMEN THE ADOPTION OF A RESOLUTION AUTHORIZING AND PROVIDING FOR THE FINANCING OF THE CONSTRUCTION OF A WATER FACILITIES PROJECT, 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 City of Fayetteville, Tennessee (the "City") is a public and governmental body in Fayetteville, Lincoln County, Tennessee and owns and operates a water and wastewater system (the "system"); and

WHEREAS, the System is operated and managed on behalf of the City by the Board of Public Utilities of the City of Fayetteville, Lincoln County, Tennessee (the "Board"); and

WHEREAS, the City and the Board have deemed it necessary to undertake water system improvements consisting of water line replacements and extensions, system storage improvements, booster pumping improvements, and water treatment plant improvements. The project is needed to improve flow and pressure within the distribution system as well as replace aging distribution facilities. It will also address needs at the water treatment plant; and

WHEREAS, the Board has determined that it is necessary and advisable to borrow funds for the above stated project through a 20-year Drinking Water State Revolving Fund loan; and

WHEREAS, in order to proceed with the funding of the project it is necessary for the Board of Mayor and Aldermen of the City of Fayetteville, Tennessee to adopt a resolution authorizing and providing for the financing of the water system improvements, 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; and

WHEREAS, the Board deems it necessary and proper to approve and recommend to the Board of Mayor and Aldermen of the City of Fayetteville, Tennessee the adoption of said resolution for the purpose of funding said projects.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF PUBLIC UTILITIES OF THE CITY OF FAYETTEVILLE, LINCOLN COUNTY, TENNESSEE, AS FOLLOWS:

Section 1. The Board hereby approves and recommends to the Board of Mayor and Aldermen of the City of Fayetteville, Tennessee the creation of indebtedness in the principal amount of six hundred twenty-one thousand dollars (\$621,000.00) as provided


for in the Tennessee Code Annotated, Section 68-221-1201 et seq., by the lending of funds from the Revolving Loan Fund to Local Governments for the purpose of providing funds for project loans.

Section 2. The Board hereby approves and recommends to the Board of Mayor and Aldermen of the City of Fayetteville, Tennessee the adoption of a resolution authorizing and providing for the financing of the construction of a water facilities project, 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.

Section 3. The Board hereby approves and recommends to the Board of Mayor and Aldermen of the City of Fayetteville, Tennessee for the CEO/General Manager of Fayetteville Public Utilities to execute any necessary documents regarding this loan with the principal amount of six hundred twenty-one thousand dollars (\$621,000.00) for the funding of said project.

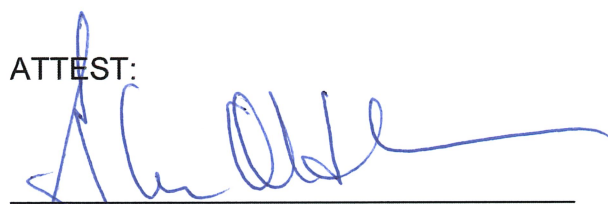
Section 4. All orders, resolutions, or ordinances in conflict with this resolution are and the same are repealed insofar as such conflict exists. This resolution shall become effective immediately upon its passage.

Adopted and approved this the 22nd day of December, 2020.



William Hurd, Chairman

ATTEST:



Glenn Oldham, Secretary-Treasurer

(Seal)

