

**REGULAR MEETING OF THE CITY COUNCIL
OF THE CITY OF EAST RIDGE**

**September 8, 2022
6:00 pm**

1. Call to Order
2. Invocation
3. A. Roll Call
B. Employee Milestone Awards for August
4. Approval of Minutes August 25, 2022 Council Meeting
5. Communication from Citizens
6. Communication from Councilmembers
7. Communication from City Manager
8. Old Business: None
9. New Business:
 - A. **RESOLUTION NO. 3311** – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EAST RIDGE, TENNESSEE, TO WAIVE THE FEE FOR USE OF THE CAMP JORDAN ARENA BY THE EAST RIDGE NEEDY CHILD FUND FOR A TOY SHOW FUNDRAISER EVENT
 - B. **RESOLUTION NO. 3312** – INITIAL RESOLUTION AUTHORIZING THE INCURRENCE OF INDEBTEDNESS BY THE CITY OF EAST RIDGE, TENNESSEE, OF NOT TO EXCEED \$10,000,000, BY THE EXECUTION WITH THE PUBLIC BUILDING AUTHORITY OF THE CITY OF CLARKSVILLE, TENNESSEE, OF A LOAN AGREEMENT TO PROVIDE FUNDING FOR CERTAIN PUBLIC WORKS PROJECTS
 - C. **RESOLUTION NO. 3313** – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EAST RIDGE, TENNESSEE, AUTHORIZING A LOAN PURSUANT TO A LOAN AGREEMENT BETWEEN THE CITY OF EAST RIDGE, TENNESSEE, AND THE PUBLIC BUILDING AUTHORITY OF THE CITY OF CLARKSVILLE, TENNESSEE, IN THE PRINCIPAL AMOUNT OF NOT TO EXCEED \$10,000,000; AUTHORIZING THE EXECUTION AND DELIVERY OF SUCH LOAN AGREEMENT AND OTHER DOCUMENTS RELATING TO SAID LOAN; APPROVING THE ISSUANCE OF A BOND BY SUCH PUBLIC BUILDING AUTHORITY; PROVIDING FOR THE APPLICATION OF THE PROCEEDS OF SAID LOAN AND THE PAYMENT OF SUCH INDEBTEDNESS; CONSENTING TO THE ASSIGNMENT OF THE CITY'S OBLIGATION UNDER SUCH LOAN AGREEMENT; AND, CERTAIN OTHER MATTERS

- D. **RESOLUTION NO. 3314** – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EAST RIDGE, TENNESSEE, AUTHORIZING THE CITY MANAGER OR HIS DESIGNEE TO PURCHASE ONE (1) 2023 FORD INTERCEPTOR SPORT UTILITY VEHICLE AND ONE (1) FORD EXPLORER SPORT UTILITY VEHICLE (“SUVS”) FROM LONNIE COBB FORD THROUGH THE TENNESSEE DEPARTMENT OF GENERAL SERVICES STATE-WIDE CONTRACT LISTING #209, PURSUANT TO TENNESSEE CODE ANNOTATED 12-3-1201(b)

- E. Discussion of Tentative Agenda Items for the **September 22, 2022** Council Meeting (see Attachment A)

10. Adjourn

**ATTACHMENT A
TENTATIVE AGENDA
September 22, 2022**

8. Old Business:

- A. **RESOLUTION NO. 3277** - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EAST RIDGE, TENNESSEE, APPROVING BIDS FOR THE REMOVAL OF RUBBISH AND/OR GARBAGE, DEBRIS, AND PERSONAL PROPERTY AT 711 STATE LINE ROAD

9. New Business:

- A. **RESOLUTION NO. ____** - Temporary Special Events Permit for Randall Carpenter, Adventure Van Expo – September 30 – October 2, 2022

**REGULAR MEETING OF THE CITY COUNCIL
OF THE CITY OF EAST RIDGE**

**August 25, 2022
6:00 pm**

The East Ridge City Council met pursuant to notice on August 25, 2022, 6:00 pm at East Ridge City Hall. Mayor Williams called the meeting to order.

Robert Jones, gave the invocation. All joined in the Pledge of Allegiance to the Flag.

Present were: Mayor Williams, Vice Mayor Chauncey, Councilmember Cagle, Councilmember Helton, Councilmember Witt, City Manager Dorsey, City Attorney Litchford, and City Recorder Middleton.

Mayor Williams recognized County Commissioner Tim Boyd. Mr. Boyd stated this is his last Council meeting to attend since he will be leaving office. He stated he has had many compliments on how East Ridge is growing and transforming. He also stated he appreciates the citizens of District 8. The Mayor thanked Mr. Boyd for his 12 years of service. Vice Mayor Chauncey thanked Mr. Boyd for his service and stated he is looking forward to filling the County Commissioner position.

Special Presentation – The Rec Project – Chisty Chapman, owner of the Check Into Cash building stated she has donated space in the building for a youth recreation center. She stated she has after-school programs for the youth and programs that help parents find housing. Now she states that she needs help, with transportation, food, and volunteers. The Rec Project is a 501-C-3 non-profit. Ms. Chapman gave out handouts about the program and has information on the website. The Mayor stated he has seen this, and it is a great program.

Approval of Minutes August 11, 2022 Council Meeting: Vice Mayor Chauncey made a motion, seconded by Councilmember Witt, to approve the minutes. The vote was unanimous. Motion approved.

Communication from Citizens:

Marilyn Hadley, 6508 Holiday Drive, discussed the rezoning of 6205 Ringgold Road for TPC. She stated her home is behind the property and asked would there be a fence installed between the properties. She also has drainage problems because their land is higher than her yard. She also stated the Council is doing a good job for the City.

Antionette Bronsted, Castle Avenue, stated her road is washing out where it meets with Donaldson Road. City Manager Dorsey will check into this.

William Lee, 1075 Wynnwood Road, asked that a traffic light be reinstalled at this intersection with Ringgold Road because of traffic backups. Mr. Dorsey stated this is controlled by TDOT but he will email them tomorrow. He also has issues with standing water in his yard and cars playing loud music.

Councilmember Cagle stated he is also concerned about the loud cars and music on Tombras Avenue. He also stated that Germantown Circle needs mowed.

Vice Mayor Chauncey, Councilmember Helton, and Councilmember Witt had nothing at this time.

Mayor Williams discussed the following:

- August 17th – September 5th – Chief Allen stated the Booze it or Lose It campaign will take place during this time period.
- August 26th – The OLPH 85th anniversary celebration will take place with live music, food trucks, vendors, corn hole competition, school tours, etc.
- August 26th – The first East Ridge High home football game will start at 7:30 pm against Stone Memorial.
- August 27th – Meet the Mayor event at Local Coffee.
- September 17th – Jones Memorial United Methodist Church Barbecue will be from 10 am – 4 pm. Proceeds go to Coats for Kids.
- October 22nd – The City will sponsor a Fall Festival at Camp Jordan beginning at 10 am with food, vendors, crafts, etc.

Communication from City Manager:

- The Multi modal project is progressing on the southside towards Walmart with sidewalks, curbs, gutters, and stormwater.
- Paving update – Council approved 1 million for spot paving residential streets. We are working with Georgia on streets such as Mack Smith Road south that go into Georgia.
- Apron paving – These are part of the State right-of-way. In mid-September, the State will be paving the aprons on Tombras Avenue, Moore Road, and McBrien (southside).
- Interviews were held for Police Chief this week. A panel which included Rex Barton, with MTAS; Mark Gibson, Cleveland Police Chief; Fred Shultz, Athens Police Chief; and some City staff conducted the interviews. Mr. Dorsey announced the next Chief will be Clint Uselton.

Old Business:

PUBLIC HEARING FOR ORDINANCE NO. 1173 – Rezone the property at 6205 Ringgold Road from C-2 General Commercial District to M-2 Light Industrial District – City Attorney Litchford read on caption. Andrew Payne, with Modus Build, stated they plan to demolish the old gym on the property. They will have vegetation, or fencing, to block the view of the new structure and they will take care of water run-off.

Karen Chambers, 6512 Holiday Drive, asked about the buffering for the property. Mr. Payne stated the proposal is to separate it by fencing and vegetative buffering. Chief Building Official Howell stated that although no fencing is required, they will have a 6-foot-high fence.

At this time, the Mayor closed the public hearing.

ORDINANCE NO. 1173 – AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF EAST RIDGE, TENNESSEE, TO AMEND THE ZONING REGULATIONS AND THE ZONING MAP OF THE CITY OF EAST RIDGE, TENNESSEE SO AS TO REZONE THE PROPERTY LOCATED AT 6205 RINGGOLD ROAD, TAX MAP #169L-F-040, FROM C-2 GENERAL COMMERCIAL DISTRICT TO M-2 LIGHT INDUSTRIAL DISTRICT (2nd and final reading) – City Attorney Litchford read on caption. Councilmember Helton made a motion, seconded by Councilmember Witt, to approve Ordinance No. 1173 on second and final reading. The vote was unanimous. Motion approved.

New Business:

RESOLUTION NO. 3301 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EAST RIDGE, TENNESSEE, AUTHORIZING THE CITY TO ACCEPT A GRANT FROM CSX RAILROAD IN THE AMOUNT OF \$25,000 FOR THE EAST RIDGE FIRE RESCUE DEPARTMENT – City Attorney Litchford read on caption. City Manager Dorsey stated the department applied for and was awarded this grant. It will help pay for computers for first responder vehicles. Councilmember Witt made a motion, seconded by Vice Mayor Chauncey, to approve Resolution No. 3301. The vote was unanimous. Motion approved.

RESOLUTION NO. 3302 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EAST RIDGE, TENNESSEE APPROVING PHOTOGRAPHY BIDS FOR THE 2022 – 2023 SPORTS SEASON – City Attorney Litchford read on caption. City Manager Dorsey stated bids were opened on August 9, 2022 and we only received one bid, which had a 15% commission paid to the City. Vice Mayor Chauncey made a motion, seconded by Councilmember Witt, to approve Resolution No. 3302. The vote was unanimous. Motion approved.

RESOLUTION NO. 3303 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EAST RIDGE, TENNESSEE, APPROVING THE APPOINTMENT OF _____ TO THE EAST RIDGE PLANNING COMMISSION – City Attorney Litchford read on caption. Mayor Williams appointed Casey Tuggle to the Planning Commission. Vice Mayor Chauncey made a motion, seconded by Councilmember Cagle, to approve Resolution No. 3303. The vote was unanimous. Motion approved.

RESOLUTION NO. 3304 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EAST RIDGE, TENNESSEE, APPROVING THE APPOINTMENT OF _____ TO THE EAST RIDGE HOUSING COMMISSION – City Attorney Litchford read on caption. Mayor Williams appointed Debbie Lance to the Housing Commission. Vice Mayor Chauncey made a motion, seconded by Councilmember Witt, to approve Resolution No. 3304. The vote was unanimous. Motion approved.

RESOLUTION NO. 3305 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EAST RIDGE, TENNESSEE, AUTHORIZING THE CITY TO ACCEPT A DONATION FROM TRACTOR SUPPLY COMPANY OF A DOGHOUSE AND A KENNEL ROOF FOR THE EAST RIDGE POLICE DEPARTMENT – City Attorney Litchford read on caption. Chief Allen stated this is needed equipment for the new canine officer. The value is at \$340.00. Councilmember Witt made a motion, seconded by

Councilmember Helton, to approve Resolution No. 3305. The vote was unanimous. Motion approved.

RESOLUTION NO. 3306 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EAST RIDGE, TENNESSEE, APPROVING A CONTRACT WITH TYLER TECHNOLOGIES FOR SOFTWARE FOR EAST RIDGE CITY COURT – City Attorney Litchford read on caption. City Manager Dorsey stated this amount was included in the budget and will make the court software compatible with the Police Department software. There is an upfront cost of \$51,349.00 with three annual payments of \$22,154.00. Vice Mayor Chauncey made a motion, seconded by Councilmember Cagle, to approve Resolution No. 3306. The vote was unanimous. Motion approved.

RESOLUTION NO. 3307 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EAST RIDGE, TENNESSEE, APPROVING THE TRANSFER OF EAST RIDGE’S TENNESSEE DEPARTMENT OF CONSERVATION (TDEC) ALLOCATED AMERICAN RESCUE PLAN (ARP) FUNDS TO THE WATER & WASTEWATER TREATMENT AUTHORITY (WWTA) IN THE AMOUNT OF \$2,533,124 – City Attorney Litchford read on caption. City Manager Dorsey stated this goes through TDEC and will go towards utility infrastructure only, along with the Hamilton County match of over \$3 million. Councilmember Witt made a motion, seconded by Councilmember Helton, to approve Resolution No. 3307. The vote was unanimous. Motion approved.

RESOLUTION NO. 3308 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EAST RIDGE, TENNESSEE, TO AMEND RESOLUTION 3300 TO PURCHASE RIGHT OF WAY OF PROPERTY LOCATED AT 1403 MACK SMITH ROAD – City Attorney Litchford read on caption. Mr. Litchford stated that since Resolution No. 3300 was approved, a professional traffic engineer did a traffic study, to compare 2-lane access to 4-lane access. The study showed that 4-lane access would be needed in the final build-out, which will necessitate the authority to purchase and negotiate areas outside the 50-foot right-of-way. Vice Mayor Chauncey made a motion, seconded by Councilmember Helton, to approve Resolution No. 3308. Councilmember Cagle stated this is the third time the Council has voted on this issue and each time before the vote was not to purchase any more right-of-way. Mayor Williams stated, based on the traffic study, if we stay with the 50-foot right-of-way, it will cause future back-ups with increased volumes of traffic. It would also cost more to widen it later.

Mr. Dorsey stated the amount of \$4 million in the budget will not change, because the original cost included purchasing the additional property. Roll call vote: Vice Mayor Chauncey - yes; Councilmember Cagle - no; Councilmember Helton - yes; Councilmember Witt - no; Mayor Williams - yes. Motion approved.

PUBLIC HEARING FOR RESOLUTION NO. 3309 - Housing Board Appeal – 1500 Keeble Street – City Attorney Litchford read on caption. Mr. Litchford stated this stems from an appeal from the Housing Commission, who found this property unfit for human habitation. Buddy Presley was present representing Chetan Patel, the owner of the property at 1500 Keeble Street.

Mayor Williams opened the public hearing. Mr. Presley stated this issue originated from a fire at the residence in April. He stated Mr. Patel only received an insurance check from State Farm about three weeks ago in the amount of \$40,000. Vice Mayor Chauncey asked if Mr. Patel has pulled a permit for repairs yet. Chief Building Official Howell stated Mr. Patel could not pull a permit because the property is condemned. No one else came forward in favor of or in opposition to the appeal. The Mayor closed the public hearing.

RESOLUTION NO. 3309 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EAST RIDGE, TENNESSEE, REGARDING AN APPEAL FROM THE EAST RIDGE HOUSING COMMISSION RELATED TO 1500 KEEBLE STREET, EAST RIDGE, TENNESSEE – City Attorney Litchford read on caption. Buddy Presley, Attorney, was present on behalf of property owner, Chetan Patel. Chief Building Official Howell stated staff originally went to the home because of a report of persons living in the crawl space. At that time, they were allowed to go inside and look, and found numerous violations, which were written up for repairs. A few days later, the property caught fire.

Mr. Howell stated the issues with the property were:

- It was converted from a business to apartment, so the apartments did not have separate meters.
- It is zoned C-2, not legal zoning.
- Doorways and walls would have to be removed so there would be separate service. If anyone were trapped, it would be hard to get out.
- One door is 24 inches wide; it would have to be modified.
- People were living in a converted garage.

Mr. Litchford stated the Housing Commission has had multiple hearings on this issue and Mr. Patel has only shown up for one meeting, not being present for the June, July, and August meetings. Vice Mayor Chauncey stated there is still a lot of debris outside the property, and it doesn't take an insurance check to clean up the outside. Mr. Patel stated he was not sure of what needed to be done, but City Manager Dorsey stated a notice was delivered to Mr. Patel on April 4, 2022 letting him know what was wrong and what had to be done. Mr. Patel stated he does have the property up for sale "as is" at this time. Vice Mayor Chauncey made a motion, seconded by Councilmember Witt, to approve Resolution No. 3309 (which reaffirms the decision of the Housing Commission for the property to remain condemned and denies the appeal). The vote was unanimous. Motion approved.

RESOLUTION NO. 3310 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EAST RIDGE TO JOINTLY APPLY WITH CHATTANOOGA-HAMILTON COUNTY TRANSPORTATION PLANNING ORGANIZATION, AS LEAD APPLICANT, TO THE UNITED STATES DEPARTMENT OF TRANSPORTATION FOR FUNDING THROUGH THE SAFE STREETS FOR A (SS4A) GRANT TO DEVELOP A METROPOLITAN PLANNING AREA COMPREHENSIVE SAFETY ACTION PLAN – City Attorney Litchford read on caption. Mr. Dorsey stated the TPO is working on SS4A in order to develop a safety plan to identify safety issues. This requires no financial plan from the City. Councilmember Helton made a motion, seconded by Councilmember Witt, to approve Resolution No. 3310. The vote was unanimous. Motion approved.

Discussion of Tentative Agenda Items for the September 8, 2022 Council Meeting (see Attachment A)

- Employee Milestone Awards for August 2022

- **Old Business:**

Mayor Williams stated we need to get an update and discuss the clean-up of 711 Stateline Road. On June 9, 2022, Council passed Resolution No. 3277 to approve a bid to clean up this property. On June 13, 2022, the Housing Commission Chairperson voted to ask the Council to stay this resolution until we receive more information on what cleanup the owner has done on the property. On June 23, 2022, the Council agreed to this, so currently we have an open resolution that is pending.

City Attorney Litchford explained the process this item has gone through. He stated the bid was \$18,500 which has to be approved by Council. He also stated that the Housing Commission agreed to stay the resolution because the Housing Commission wanted to give the property owner more time to clean up the property. This would also help alleviate the cost to the City. Chief Building Official Howell stated that Freedom Roll-off has agreed to reduce the bid from \$18,500 to \$14,500 which is good until September 23, 2022. Mr. Howell also passed out pictures showing what clean up has been done. He also stated this property has been in disarray for many years and we have had many complaints.

Mr. Litchford asked if the health, safety, and welfare of the community is endangered because of the condition of the property. Mr. Howell stated it absolutely is. Mayor Williams would like to get the opinion and direction of the Housing Commission on how they would like to proceed on this issue on September 14, 2022. Mr. Litchford stated we will have an update from the Housing Commission at the September 22, 2022 Council meeting.

- **New Business:**

RESOLUTION NO. ____ - Bond issue for various road projects – Finance Director Qualls stated this will be a 20-year issue, 3.95% interest, and we will have three years to spend.

Mr. Dorsey stated we would also add a resolution for reduced fee for the East Ridge Needy Child Fund to use Camp Jordan Arena on October 15th for a toy show.

Being no further business, the meeting was adjourned.

RESOLUTION NO. 3311



**323 Camp Jordan Parkway
East Ridge, TN 37412
(423) 490-0078**

MEMORANDUM

TO: Mayor and Council
City Manager

FROM: Shawna Skiles, Parks and Recreation Director

SUBJECT: East Ridge Needy Child Fund Toy Show Fundraiser

DATE: September 6, 2022

The East Ridge Needy Child Fund is requesting the City to waive facility fees for the use of Camp Jordan Arena on Saturday, October 15, 2022 to host a toy show fundraiser event. The proceeds from this event will benefit the youth of East Ridge specifically at Christmas time. Staff recommends waiving the facility fees for this event in support of the East Ridge Needy Child Fund.

RESOLUTION NO. 3311

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EAST RIDGE, TENNESSEE, TO WAIVE THE FEE FOR USE OF THE CAMP JORDAN ARENA BY THE EAST RIDGE NEEDY CHILD FUND FOR A TOY SHOW FUNDRAISER EVENT

WHEREAS, the East Ridge Needy Child Fund plays an important role in helping underprivileged children and families in the City of East Ridge; and

WHEREAS, the East Ridge Needy Child Fund will be holding a toy show fundraiser event on October 15, 2022 at Camp Jordan Arena; and

WHEREAS, the East Ridge Needy Child Fund is asking the City to waive the fee for use of the arena in order to use all the proceeds from this fundraiser to help underprivileged children and families in the City.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EAST RIDGE, TENNESSEE, that the fee for use of the Camp Jordan Arena on October 15, 2022 for a toy show will be waived.

BE IT FURTHER RESOLVED that this Resolution shall take effect immediately after its passage, the public welfare of the City requiring it.

Adopted this _____ day of _____ 2022.

Brian W. Williams, Mayor

Attest:

Christopher J. Dorsey, City Manager

Approved as to Form:

Mark W. Litchford, City Attorney



City of East Ridge

1517 Tombras Avenue
East Ridge, Tennessee 37412
(423)867-7711 • www.eastridgetn.gov

Finance Department
Diane Qualls, Director

RESOLUTION NOS. 3312 and 3313

MEMO

TO: Mayor, Council and City Manager

FROM: Diane Qualls, CMFO

DATE: 09/06/2022

RE: Bond Issue

The bond issue that is coming before you tonight will be used for road projects and the building of the new animal shelter. The amount will be approximately \$ 10 million dollars. The costs for the road projects will be submitted with our costs within the Border Region District only to be reimbursed. The Animal Shelter will not.

RESOLUTION NO. 3312

AN INITIAL RESOLUTION BY THE CITY COUNCIL OF THE CITY OF EAST RIDGE, TENNESSEE, AUTHORIZING THE INCURRENCE OF INDEBTEDNESS BY THE CITY OF EAST RIDGE, TENNESSEE, OF NOT TO EXCEED \$10,000,000, BY THE EXECUTION WITH THE PUBLIC BUILDING AUTHORITY OF THE CITY OF CLARKSVILLE, TENNESSEE, OF A LOAN AGREEMENT TO PROVIDE FUNDING FOR CERTAIN PUBLIC WORKS PROJECTS

WHEREAS, it is necessary and in the public interest of the City of East Ridge, Tennessee (the "City"), to incur indebtedness, through the execution with The Public Building Authority of the City of Clarksville, Tennessee (the "Authority"), of a loan agreement (a "Loan Agreement"), for the purpose of financing public works projects, as hereinafter more fully described.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of East Ridge, Tennessee, as follows:

SECTION 1. For the purpose of financing all or a portion of the costs of road construction within the City, including the construction of both ends of North Mack Smith Road and the Ringold Road Multi-Modal project, and the construction of an animal shelter for the City, the acquisition of all other property real and personal, appurtenant thereto or connected with such work, and to pay legal, fiscal, administrative, and engineering costs, and to pay costs incident to the issuance of the Bond and the loan of the proceeds thereof to the City (collectively, the "Project"), the City is hereby authorized to incur indebtedness in the amount of not to exceed \$10,000,000, for the financing of the Project through the execution of a Loan Agreement with the Authority. The rate of interest payable pursuant to the provisions of a Loan Agreement shall be a fixed rate, which can be reset at certain intervals, which rate shall not exceed the maximum rate of interest permitted under the laws of the State of Tennessee.

SECTION 2. The indebtedness evidenced by the Loan Agreement shall be payable from funds of the City legally available therefor and to the extent necessary from ad valorem taxes to be levied for such purpose on all taxable property within the corporate limits of the City, without limitation as to time, rate, and amount and for the punctual payment of said principal of, and interest on, the Loan Agreement, the full faith and credit of the City will be irrevocably pledged.

SECTION 3. The Loan Agreement shall be executed pursuant to the provisions of Title 9, Chapter 21, Tennessee Code Annotated, as amended (the "Act"), and Title 12, Chapter 10, Tennessee Code Annotated, as amended.

SECTION 4. After the adoption of this Resolution, the City Manager is directed to cause this Resolution, with the notice prescribed by the Act, to be published in full once in a newspaper published and having general circulation in the City.

NOTICE

The foregoing Resolution has been adopted. Unless within twenty (20) days from the date of publication hereof a petition, signed by at least ten percent (10%) of the registered voters of the City of East Ridge, Tennessee, shall have been filed with the City Manager of the City of East Ridge, Tennessee, protesting the incurrence of the Indebtedness by the execution of the Loan Agreement, such Loan Agreement will be executed, as proposed.

SECTION 5. This Resolution shall take effect immediately after its passage, the public welfare of the City requiring it.

Adopted this _____ day of _____ 2022.

Brian W. Williams, Mayor

Attest:

Christopher J. Dorsey, City Manager

Approved as to Form:

Mark W. Litchford, City Attorney

STATE OF TENNESSEE)
COUNTY OF HAMILTON)

I, Christopher J. Dorsey, hereby certify that I am the duly qualified City Manager of the City of East Ridge, Tennessee (the "City"), and, as such official, I further certify as follows: (1) that attached hereto is a copy of a resolution excerpted from the minutes of the meeting of the City Council (the "Council"), of said City held on September 8, 2022; (2) that I have compared said copy with the original minute record of said meeting in my official custody; (3) that said copy is a true, correct, and complete transcript from said original record insofar as said original record relates, to, among other matters, the incurring of indebtedness in the amount of not to exceed \$10,000,000 by said City; (4) that the actions by said Council including the aforementioned, at said meeting were promptly and duly recorded by me in a book kept for such purpose; and, (5) that a quorum of the members of said Council was present and acting throughout said meeting.

WITNESS my official signature and the seal of said City, this 8th day of September, 2022.

Christopher J. Dorsey, City Manager

(SEAL)

RESOLUTION NO. 3313

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EAST RIDGE, TENNESSEE, AUTHORIZING A LOAN PURSUANT TO A LOAN AGREEMENT BETWEEN THE CITY OF EAST RIDGE, TENNESSEE, AND THE PUBLIC BUILDING AUTHORITY OF THE CITY OF CLARKSVILLE, TENNESSEE, IN THE PRINCIPAL AMOUNT OF NOT TO EXCEED \$10,000,000; AUTHORIZING THE EXECUTION AND DELIVERY OF SUCH LOAN AGREEMENT AND OTHER DOCUMENTS RELATING TO SAID LOAN; APPROVING THE ISSUANCE OF A BOND BY SUCH PUBLIC BUILDING AUTHORITY; PROVIDING FOR THE APPLICATION OF THE PROCEEDS OF SAID LOAN AND THE PAYMENT OF SUCH INDEBTEDNESS; CONSENTING TO THE ASSIGNMENT OF THE CITY'S OBLIGATION UNDER SUCH LOAN AGREEMENT; AND, CERTAIN OTHER MATTERS

WHEREAS, the City Council (the "Council"), of the City of East Ridge, Tennessee (the "Municipality" or the "City"), has determined that it is necessary to finance the costs of certain "public works projects", as defined in Title 9, Chapter 21, Tennessee Code Annotated, as from time to time amended and supplemented, consisting of financing all or a portion of the costs of road construction within the City, including the construction of both ends of North Mack Smith Road and the Ringold Road Multi-Modal project, and the construction of an animal shelter for the City, the acquisition of all other property real and personal, appurtenant thereto or connected with such work, and to pay legal, fiscal, administrative, and engineering costs, and to pay costs incident to the issuance of the Bond and the loan of the proceeds thereof to the City (collectively, the "Project"), by obtaining a loan from The Public Building Authority of the City of Clarksville, Tennessee (the "Authority");

WHEREAS, it has been determined by the Council of the City to be in the best interests of the City to finance the Project through The Tennessee Municipal Bond Fund fixed rate loan program;

WHEREAS, the Authority has been established pursuant to the provisions of Title 12, Chapter 10, Tennessee Code Annotated, as amended (the "Act"), and is authorized pursuant to the provisions of the Act to issue its bonds from time to time, in one more series, and to loan the proceeds thereof to the Municipality for the above described purposes;

WHEREAS, in order to effectuate the program, the Authority has authorized and approved by its Resolution, adopted July 13, 2022, the issuance of its Local Government Loan Program Bonds, in an aggregate principal amount not to exceed \$300,000,000;

WHEREAS, the Authority will issue its Local Government Loan Program Bond, Series 2022 (City of East Ridge Loan) (the "Bond"), in the principal amount of not to exceed

\$10,000,000, and loan the proceeds thereof to the City pursuant to the provisions of a Loan Agreement, by and among the City, the Authority, and the Purchaser, as hereinafter defined, to be dated the date of issuance and delivery (the "Loan Agreement");

WHEREAS, the Council of the City has on the date hereof adopted an Initial Resolution authorizing the borrowing of funds and the incurring of indebtedness for the purpose of financing the Project in the amount of not to exceed \$10,000,000, and the City Manager has been instructed to publish such Initial Resolution together with the Notice required by Section 9-21-206 of Tennessee Code Annotated, as amended, in a local newspaper in the Municipality;

WHEREAS, the indebtedness evidenced by the Loan Agreement shall be payable from any and all funds of the Municipality legally available therefor, including, but not necessarily limited to, ad valorem taxes to be levied for such purpose on all taxable property within the corporate limits of the Municipality, without limitation as to time, rate, and amount and for the punctual payment of said principal of, premium, if any, and interest on, the Loan Agreement, the full faith and credit of the Municipality will be irrevocably pledged; and,

WHEREAS, the Bond is to be secured by and contain such terms and provisions as set forth in a Bond Purchase Agreement, entered into between the Authority and the purchaser of the Bond (the "Purchaser").

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of East Ridge, Tennessee, as follows:

Section 1. Approval of the Loan.

(a) For the purpose of providing funds to finance the Project and to pay costs incident to the issuance and sale of the Bond and the loan of the proceeds thereof to the City, the loan to the City from the Authority is hereby authorized in the principal amount of not to exceed \$10,000,000 and the City is hereby authorized to borrow such funds from the Authority (the "Loan").

(b) The Bond to be issued by the Authority shall bear interest at a fixed rate to be determined at the time of the issuance of the Bond, as provided in the Loan Agreement. The Mayor and City Manager are authorized to enter into the Loan Agreement, such Loan Agreement to bear interest at a fixed rate, as the Mayor and City Manager shall determine is in the best interest of the Municipality. The Municipality shall make payments of interest and principal in the amounts and on the dates set forth in the Loan Agreement from the sources and funds described herein and in the Loan Agreement. The final rate of interest payable on the Loan Agreement shall not exceed the maximum rate of interest permitted by applicable law. The Loan Agreement shall be for a term of twenty years. The final principal and interest payment dates, final interest rate payable, amortization of principal amounts of the loan evidenced by the Loan Agreement, and prepayment provisions of such Loan Agreement, may be established by the Mayor, the City Manager, and the Purchaser, at the time of the sale of the Bond and the execution and delivery of the Loan Agreement, as shall be determined to be

in the best interests of the Municipality, in accordance with the terms of this Resolution and the Loan Agreement. If the City enters into the Loan Agreement with the Authority to finance the Project, the rate of interest payable on the loan includes an annual administration fee equal to fifteen basis points (0.15%), payable to TMBF, as the program administrator, by the Purchaser, to be paid from each periodic payment of interest on the Loan Agreement, based on the outstanding principal amount of the loan.

(c) The Council of the City understands and is aware that the Purchaser has the option to put the Bond for purchase to the Authority during the term of the Loan (the "Put Option"), at certain intervals upon not less than one hundred eighty days' written notice to the Authority, the Tennessee Municipal Bond Fund, as administrator, and the City.

The Council is aware of the risks and benefits associated with the Loan and the Put Option. The Council finds that the repayment structure of the Loan (including the Put Option) is in the public interest of the City.

The Council further agrees that it is willing to pay additional issuance costs associated with the refunding of the Loan and related Bond in the event the Put Option is exercised by the Purchaser. In the event that the Put Option is exercised by the Purchaser, and the City is unable to pay the Loan amount in full on such date and no subsequent holder can be determined, the Council commits to refund the Loan in the following manner:

(x) the Council shall submit a plan of refunding to the Comptroller or Comptroller's designee;

(y) the final maturity of the refunding debt obligation will not extend beyond the final maturity of the original Loan; and,

(z) the debt service structure of the refunding debt obligation will be substantially similar to or more declining than the debt structure of the original Loan.

The Council has not retained an independent municipal advisor in connection with the Loan. The Council understands and acknowledges that the Purchaser does not owe a fiduciary duty to the City and that the Purchaser is acting for its own business and commercial interests. The Council has consulted with such advisors and experts as it deems appropriate before the consideration and adoption of this Resolution.

Section 2. Approval of Loan Agreement. The form, terms, and provision of the Loan Agreement are in the best interest of the Municipality and are hereby approved and the Council hereby authorizes the Mayor and the City Manager of the Municipality to execute and deliver such Loan Agreement, such Loan Agreement to be in substantially the form of the Loan Agreement presented to this meeting, the execution of such Loan Agreement by the Mayor and the City Manager to evidence their approval of any and all changes to such Loan

Agreement, and any related documents necessary to the consummation of the transactions contemplated by the Loan Agreement.

Section 3. Fulfillment of Obligations. The Council of the Municipality is authorized and directed to fulfill all obligations of the Municipality under the terms of the Loan Agreement.

Section 4. Tax Levy. There shall be levied and collected in the same manner as other ad valorem taxes of the Municipality on all taxable property within the corporate limits of the Municipality without limitation as to time, rate, or amount, to the extent necessary in the event funds of the Municipality legally available to pay the indebtedness evidenced by the Loan Agreement are insufficient, a tax sufficient to pay when due the amounts payable under the Loan Agreement, as and when they become due, and to pay any expenses of maintaining and operating the Project required to be paid by the Municipality under the terms and provisions of the Loan Agreement. For the prompt payment of the Loan Agreement, both principal and interest, as the same shall become due, the full faith and credit of the Municipality are irrevocably pledged.

Section 5. Approval of Bond. For the purpose of providing funds to make the loan to the Municipality evidenced by the Loan Agreement, as provided herein and in the Loan Agreement, and to pay legal, fiscal, and administrative costs incident thereto, including costs incident to the issuance and sale of the Bond related to the Loan Agreement, the issuance and sale of the Bond by the Authority in connection with the Loan Agreement is hereby approved.

Section 6. Disposition of Proceeds. The proceeds from the sale of the Bond shall be paid, from time to time, to the official of the Municipality designated by law as the custodian of the funds, upon submission of a requisition for such funds by the Municipality to the Purchaser, in accordance with the terms of the Loan Agreement. Such proceeds shall be disbursed from time to time solely to finance the costs of the Project and to pay costs of issuance incurred in connection with the issuance of the Bond and the loan of the proceeds thereof to the Municipality. Any monies remaining in the Project Fund after completion of the Project shall be used to pay debt service on the Bond.

Section 7. Consent to Assignment. The Municipality hereby consents to the assignment of all of the Authority's right, title, and interest in and to the Loan Agreement as security for the Bond to which such Loan Agreement relates, except for certain reserved rights of the Authority, to the Purchaser.

Section 8. Reimbursement Provisions. The City may have made or may hereafter make expenditures with respect to the Project from a source of funds other than proceeds of the loan from the Authority under the Loan Agreement, such expenditures occurring prior to the execution and delivery of the Loan Agreement. The City reasonably expects that it will reimburse such original expenditures with proceeds of the loan made pursuant to the Loan Agreement to the extent permissible under Treasury Regulation 1.150-2.

Section 9. Arbitrage Certification. The Municipality recognizes that the purchaser and owner of the Bond will have accepted it on, and paid therefor a price, that reflects the understanding that interest thereon is excludable from gross income for purposes of federal income taxation under laws in force on the date of delivery of the Bond. In this connection, the Municipality agrees that it shall take no action which may cause the interest on said Bond to be included in gross income for federal income taxation. It is the reasonable expectation of the Council of the Municipality that the proceeds of the Bond will not be used in a manner which will cause the Bond to be an "arbitrage bond" within the meaning of Section 148 of the Code, and to this end the proceeds of the Bond and other related funds established for the purposes herein set out shall be used and spent expeditiously for the purposes described herein. The Council further covenants and represents that in the event it shall be required by Section 148(f) of the Code to pay any investment proceeds of the Bond to the United States government, it will make such payments as and when required by said Section 148(f) and will take such other actions as shall be necessary or permitted to prevent the interest on the Bond from becoming taxable. The Mayor and City Manager, or either of them, are authorized and directed to make such certifications in this regard in connection with the sale of the Bond as either or both shall deem appropriate, and such certifications shall constitute a representation and certification of the Municipality.

Section 10. Miscellaneous Acts. The Mayor, the City Manager, the City Recorder, the Finance Director, the City Attorney, and all other appropriate officials of the Municipality are hereby authorized, empowered, and directed to do any and all such acts and things, and to execute, acknowledge, and deliver all such documents, instruments, and certifications, in connection with the execution of the Loan Agreement and the issuance of the Bond by the Authority, in addition to those acts, things, documents, instruments, and certifications hereinbefore authorized and approved, as may in their discretion, be necessary or desirable to implement or comply with the intent of this Resolution or any of the documents herein authorized and approved.

Section 11. Captions. The captions or headings in this Resolution are for convenience only and shall in no way define, limit, or describe the scope or intent of any provision hereof.

Section 12. Severability. Should any provision or provisions of this Resolution be declared invalid or unenforceable in any respect by final decree of any court of competent jurisdiction, the invalidity or unenforceability of such section, paragraph, ordinance, or provisions shall not affect the remaining provisions of such Resolution.

Section 13. Repeal of Conflicting Resolutions. All resolutions or parts thereof in conflict herewith are, to the extent of such conflict, hereby repealed.

Section 14. Effective Date. This Resolution shall take effect immediately after its passage, the public welfare of the City requiring it.

Adopted this _____ day of _____ 2022.

Brian W. Williams, Mayor

Attest:

Christopher J. Dorsey, City Manager

Approved as to Form:

Mark W. Litchford, City Attorney

STATE OF TENNESSEE)
COUNTY OF HAMILTON)

I, Christopher J. Dorsey, hereby certify that I am the duly qualified City Manager of the City of East Ridge, Tennessee (the "City"), and, as such official, I further certify as follows: (1) that attached hereto is a copy of a resolution excerpted from the minutes of the meeting of the City Council (the "Council"), of said City held on September 8, 2022; (2) that I have compared said copy with the original minute record of said meeting in my official custody; (3) that said copy is a true, correct, and complete transcript from said original record insofar as said original record relates, to, among other matters, the incurring of indebtedness in the amount of not to exceed \$10,000,000 by said City; (4) that the actions by said Council including the aforementioned, at said meeting were promptly and duly recorded by me in a book kept for such purpose; and, (5) that a quorum of the members of said Council was present and acting throughout said meeting.

WITNESS my official signature and the seal of said City this 8th day of September, 2022.

Christopher J. Dorsey, City Manager

(SEAL)

8-31-2022 Draft

LOAN AGREEMENT

BY AND AMONG

**THE PUBLIC BUILDING AUTHORITY OF
THE CITY OF
CLARKSVILLE, TENNESSEE,**

CITY OF EAST RIDGE, TENNESSEE,

AND

**FIRST HORIZON TE1, LLC.
A SUBSIDIARY OF FIRST HORIZON BANK,
NASHVILLE, TENNESSEE**

**Relating to
\$10,000,000
The Public Building Authority of the
City of Clarksville, Tennessee
Local Government Loan Program Bond,
Series 2022
(City of East Ridge Loan)**

Dated: October 13, 2022

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LOAN AGREEMENT

\$10,000,000

**The Public Building Authority of the City of Clarksville, Tennessee
Local Government Loan Program Bond, Series 2022
(City of East Ridge Loan)**

This Loan Agreement (the "Loan Agreement"), dated as of October 13, 2022 and entered into by and among **THE PUBLIC BUILDING AUTHORITY OF THE CITY OF CLARKSVILLE, TENNESSEE**, a public, nonprofit corporation organized and existing under the laws of the State of Tennessee (the "Issuer"), the **CITY OF EAST RIDGE, TENNESSEE**, a municipal corporation organized and duly existing under the laws of the State of Tennessee (the "Borrower" or the "City"), and **FIRST HORIZON TE1, LLC**, a subsidiary of First Horizon Bank, Nashville, Tennessee (the "Bank") (collectively, the "Parties"):

WITNESSETH:

WHEREAS, the Issuer is authorized by Title 12, Chapter 10, Tennessee Code Annotated, as from time to time amended or supplemented (the "Act"), to, among other things, upon the terms and provisions set forth in the Act, enter into loan agreements with municipal corporations, as defined in the Act, for the purpose of financing the costs of constructing, installing, or acquiring certain necessary and desirable buildings, structures, equipment, and improvements constituting a "project" as such term is defined and used in the Act, for such payments and upon such terms as the board of directors of the Issuer may deem advisable in accordance with the provisions of the Act; to issue its revenue bonds pursuant to the provisions of the Act for the purpose of financing, acquiring, erecting, extending, improving, equipping, or repairing or a combination thereof, any project; and, as security for the payment of the principal of, and the interest on, any such bonds so issued, to assign and pledge, among other things, all or any part of its interest in, and rights under, the loan agreements relating to the necessary and desirable projects so financed;

WHEREAS, the Issuer has determined that there is substantial need within the State for a financing program which will provide funds for qualifying projects for municipal corporations in the State;

WHEREAS, the Issuer is authorized under the Act to issue its revenue bonds to provide funds for such purposes;

WHEREAS, the Issuer has determined that the public interest will best be served and that the purposes of the Act can be more advantageously obtained by the Issuer's issuance of its revenue bonds in order to loan funds to participating municipal corporations to finance projects;

WHEREAS, in order to effectuate the program, the Issuer has authorized and approved by its Resolution, adopted July 13, 2022, the issuance of its Local Government Loan Program Bonds, in the aggregate principal amount of not to exceed \$300,000,000;

WHEREAS, the City is a municipal corporation lawfully organized and existing under the laws of the State of Tennessee;

WHEREAS, the City is authorized under the Act, its Charter, and its resolutions to enter into this Loan Agreement for the purposes of financing the costs of projects authorized by the Act;

WHEREAS, the Issuer and the City have determined that the provision of funds by the Issuer to the City (the "Loan"), pursuant to the terms of this Loan Agreement and the Bond Purchase Agreement, of even date hereof, between the Issuer and the Bank, including any amendments and supplements thereto, will make

possible the financing of the Project for the City resulting in the efficient and economic furnishing of governmental, services to the citizens residing within the boundaries of the City; and,

WHEREAS, the City Council (the "Council"), of the City, by an Initial Resolution, adopted by the Council on September 8, 2022 (the "Initial Resolution"), approved the borrowing of funds and the incurring of indebtedness in an amount of not to exceed \$10,000,000 in the form of a loan from the Issuer for the purpose of financing all or a portion of the costs of road construction within the City, including the construction of both ends of North Mack Smith Road and the Ringold Road Multi-Modal project, and the construction of an animal shelter for the City, the acquisition of all other property real and personal, appurtenant thereto or connected with such work, and to pay legal, fiscal, administrative, and engineering costs, and to pay costs incident to the issuance of the Bond and the loan of the proceeds thereof to the City (collectively, the "Project"), and by a Loan Resolution, adopted by the Council on September 8, 2022 (the "Loan Resolution"), authorized a loan under a loan agreement between the Borrower and the Issuer for the aforementioned purposes and the assignment of the Borrower's obligation under such loan agreement;

WHEREAS, the Loan will be administered by The Tennessee Municipal Bond Fund (the "Administrator"), under that certain Program Management Contract, dated of even date herewith, by and between the Issuer and the Administrator; and,

WHEREAS, pursuant to the Issuer Resolution, in order to assist the Borrower in the financing of the Project, the Issuer has agreed to authorize, issue, sell and deliver its Local Government Loan Program Bond, Series 2022 (City of East Ridge Loan) (the "Bond"), in the maximum principal amount of \$10,000,000.

NOW, THEREFORE, for and in consideration of the premises and of the mutual covenants hereinafter contained, the parties hereby agree as follows:

ARTICLE I

AUTHORITY

Section 1.01. Authority. This rights and obligations of the parties to this Loan Agreement are authorized by Title 12, Chapter 10 and Title 9, Chapter 21 of Tennessee Code Annotated, as amended, and other applicable provisions of law.

ARTICLE II

DEFINITIONS

Section 2.01. Definitions. The following terms shall have the following meanings in this Loan Agreement unless the text expressly or by necessary implication requires otherwise or unless reference to definitions contained in another document as part of this transaction:

"Act" means Title 12, Chapter 10, Tennessee Code Annotated, as amended,

"Administrator" means the Tennessee Municipal Bond Fund, and its successors or assigns.

"Authorized Officer of the Borrower" means the Mayor or the City Manager and any other person or persons authorized pursuant to law or a resolution of the City Council of the Borrower to perform such act or execute such documents on behalf of the Borrower.

"Bank" means First Horizon TE1, LLC, a subsidiary of First Horizon Bank, Nashville, Tennessee, or its successors and assigns.

"Bond" means the Local Government Loan Program Bond, Series 2022 (City of East Ridge Loan), dated the date of its issuance and delivery, issued in the maximum principal amount of \$10,000,000.

"Bond Counsel" means Spencer Fane Bone McAllester, Nashville, Tennessee.

"Bond Purchase Agreement" means that certain Bond Purchase Agreement, dated the date hereof, between the Issuer, as the issuer of the Bond, and the Bank, as the purchaser of the Bond, describing the rights and obligations of both parties relating to the private placement of the Bond.

"Borrower" means City of East Ridge, Tennessee, a municipal corporation organized and existing under the laws of the State of Tennessee.

"Borrower Resolutions" mean collectively, the Initial Resolution and the Loan Resolution of the Borrower.

"Borrower's Tax Certificate" means a Tax Certificate, including exhibits thereto, which is entered into by the Borrower consistent with the requirements of Section 1.148-2(b) of the Treasury Regulations.

"Business Day" means any day other than (a) a Saturday or Sunday, (b) a day on which commercial banks in New York, New York, or the city or cities in which the primary office of the Bank is authorized by law or executive order to close, or (c) a day on which the New York Stock Exchange is closed.

"City Manager" means the duly appointed and qualified City Manager of the City, and all successors to such office.

"Closing" means the date at which time the Loan to the Borrower is made to finance or refinance the Cost of the Project.

"Code" means the Internal Revenue Code of 1986, as amended, and the applicable regulations of the United States Department of the Treasury promulgated thereunder, as in effect on the date of issuance of the Bond and as hereafter amended, supplemented, or revised insofar as such amendments, supplements, or revisions shall pertain to or affect the Bond.

"Cost of the Project" means all or a portion of costs of the costs of road construction within the City, including the construction of both ends of North Mack Smith Road and the Ringold Road Multi-Modal project, and the construction of an animal shelter for the City, the acquisition of all other property real and personal, appurtenant thereto or connected with such work, and to pay legal, fiscal, administrative, and engineering costs, and to pay costs incident to the issuance of the Bond and the loan of the proceeds thereof to the City.

"Default" means an event or condition the occurrence of which would, with the lapse of time or the giving of notice or both, become a Loan Default hereunder.

"Drawing" means a disbursement from the Project Fund pursuant to Section 4.06 hereof.

"Favorable Opinion of Bond Counsel" means, when used with respect to or in connection with any action, a written opinion of Bond Counsel to the effect that such action will not adversely affect the excludability of interest paid on the Bond from gross income for federal income tax purposes.

"Initial Resolution" means that certain Initial Resolution, adopted by the Council of the City, on September 8, 2022, authorizing the City to incur indebtedness with the Issuer to finance the Project.

"Issuer" means The Public Building Authority of the City of Clarksville, Tennessee, a public nonprofit corporation organized and existing under the laws of the State of Tennessee.

"Issuer Resolution" means the resolution of the Issuer, adopted on July 13, 2022, providing for the issuance of its Local Government Loan Program Bonds, in the aggregate principal amount not to exceed \$300,000,000, of which the Bond is one of such authorized obligations.

"Loan" means the loan as authorized by this Loan Agreement, the Borrower Resolutions, and the Issuer Resolution.

"Loan Amount" means the aggregate principal amount of all Drawings from time to time up to the Loan Commitment Amount.

"Loan Commitment Amount" means the maximum principal amount of \$10,000,000, or other amount as may be determined by the Issuer, the Borrower, and the Bank.

"Loan Rate" means, at any point in time, the applicable rate of interest on the Loan as described in Section 4.08 hereof, as determined by the Bank, and agreed to by the Borrower.

"Loan Repayment Date" means the first day of each of March and September, or if such day is not a Business Day, the next succeeding Business Day.

"Loan Repayments" means the payment of principal and interest on the Loan pursuant to the terms of this Loan Agreement.

"Loan Resolution" means that certain Resolution, adopted by the Council of the City on September 8, 2022, authorizing a loan under a loan agreement between the Borrower and the Issuer to finance the Project.

"Mayor" means the duly elected and qualified Mayor of the City and all successors to such office.

"Outstanding Loan Amount" means the Loan Amount minus principal prepayments and repayments made to the Bank.

"Project" means all or a portion of the costs of road construction within the City, including the construction of both ends of North Mack Smith Road and the Ringold Road Multi-Modal project, and the construction of an animal shelter for the City, the acquisition of all other property real and personal, appurtenant thereto or connected with such work, and to pay legal, fiscal, administrative, and engineering costs, and to pay costs incident to the issuance of the Bond and the loan of the proceeds thereof to the City, as authorized by the Borrower Resolutions.

"Put Option" means the option of the Bank to put the Bond to the Issuer for purchase on the Scheduled Put Option Date.

"Registration Agent" means the Chairman or Secretary of the Issuer, or any successor designated by its Board of Directors, as described in the Bond Purchase Agreement, to maintain a register identifying the owner of the Bond.

"Repayment Exhibit" means the debt service schedule of the Loan Amount made to the Borrower and attached hereto as EXHIBIT B, as the same may be amended from time to time in accordance with the provisions of this Loan Agreement.

"Scheduled Put Option Date" means the fifth anniversary of the date of the closing of the Loan, subject to extension as set forth in Section 4.08 hereof.

ARTICLE III

REPRESENTATIONS AND COVENANTS OF BORROWER

Section 3.01. Representations of Borrower. The Borrower represents for the benefit of the Issuer and the Bank as follows:

(a) Organization and Authority.

(1) The Borrower is a municipal corporation, duly created and validly existing, in good standing pursuant to the constitution and statutes of the State.

(2) The Borrower has full legal right and authority and all necessary licenses and permits required as of the date hereof to own and operate its properties, to carry on its activities, to enter into this Loan Agreement and the Borrower's Tax Certificate, to undertake and complete the Project, and to carry out and consummate all transactions contemplated by this Loan Agreement and the Borrower's Tax Certificate.

(3) The proceedings of the Borrower's Council approving this Loan Agreement and the Borrower's Tax Certificate and authorizing their execution and delivery on behalf of the Borrower and authorizing the Borrower to undertake and complete the Project have been duly and lawfully adopted at a meeting or meetings duly called and held at which quorums were present and acting throughout and such meeting or meetings were duly called pursuant to necessary public notice and held in accordance with all applicable law.

(4) This Loan Agreement and the Borrower's Tax Certificate have been duly authorized, executed, and delivered by Authorized Officers of the Borrower; and, assuming that the Issuer has all the requisite power and authority to execute and deliver, and has duly authorized, executed, and delivered this Loan Agreement, this Loan Agreement and the Borrower's Tax Certificate, constitute the legal, valid, and binding obligations of the Borrower enforceable in accordance with their respective terms subject to future proceedings under bankruptcy, reorganization, debt arrangements, insolvency, or other laws of general application or principles of equity relating to or affecting the enforcement of creditors' rights. The information provided and to be provided to the Issuer, the Administrator, and the Bank in connection with obtaining the Loan hereunder is true and accurate in all respects.

(b) Full Disclosure. The financial statements, including balance sheets, and any other written statement furnished by the Borrower to the Issuer, the Administrator, or the Bank do not and will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements contained therein or herein not misleading. There is no fact known to the Borrower which the Borrower has not disclosed to the Issuer, the Administrator, and the Bank in writing which materially adversely affects or is likely to materially adversely affect the financial condition of the Borrower, its ability to own and operate its property in the manner such property is currently operated or its ability to make the payments under this Loan Agreement when and as the same become due and payable.

(c) Pending Litigation. There is no litigation or legal or governmental action, inquiry, investigation, or proceedings pending, or to the knowledge of the Borrower threatened, against or affecting the Borrower in any court or before any governmental authority or arbitration board or tribunal that, if adversely determined, would materially adversely affect the properties, activities, prospects, or condition (financial or otherwise) of the Borrower, or the ability of the Borrower to make all Loan Repayments and other payments required hereby and otherwise perform its obligations under this Loan Agreement, that have not been disclosed in writing to the Bank, the Administrator, and the Issuer in the Borrower's application for its Loan or otherwise.

(d) Compliance with Existing Laws and Agreements. The execution and delivery of this Loan Agreement by the Borrower, the performance by the Borrower of its obligations hereunder, and the consummation of the transactions provided for in this Loan Agreement and compliance by the Borrower with the provisions of this Loan Agreement and the undertaking and completion of the Project (i) are within the municipal powers of the Borrower and have been duly and effectively authorized by all necessary action on the part of the Borrower and (ii) do not and will not result in any breach of any of the terms, conditions, or provisions of, or constitute a default under, or result in the creation or imposition of any lien, charge or encumbrance upon any property or assets of the Borrower pursuant to any existing bond ordinance, resolution, trust agreement, indenture, mortgage, deed of trust, loan agreement or other instrument (other than this Loan Agreement) to which the Borrower is a party or by which the Borrower or any of its property may be bound, nor will such action result in any violation of the provisions of the charter or other document pursuant to which the Borrower was established or any laws, resolutions, ordinances, governmental rules, regulations or court orders to which the Borrower or its properties or operations is subject.

(e) No Defaults. No event has occurred and no condition exists that, upon execution of this Loan Agreement or receipt of the proceeds of the Loan, would constitute a Default or a Loan Default. The Borrower is not in violation of, and has not received notice of any claimed violation of, any term of any agreement or other instrument to which it is a party or by which it, or its property, may be bound, which violation would materially adversely affect the properties, activities, prospects or condition (financial or otherwise) of the Borrower or the ability of the Borrower to make all Loan Repayments or other payments required hereby or otherwise perform its obligations under this Loan Agreement.

(f) Governmental Consent. The Borrower has obtained all permits and approvals required to date by any governmental body or officer for the making and performance by the Borrower of its obligations under this Loan Agreement or for the undertaking or completion of the Project and the financing thereof, and the Borrower has complied with any applicable provisions of law requiring any notification, declaration, filing, or registration with any governmental body or officer in connection with the making and performance by the Borrower of its obligations under this Loan Agreement or the Borrower's Tax Certificate or with the undertaking or completion of the Project and the financing thereof. The financing of the Project as contemplated by this Loan Agreement is consistent with the terms of any such governmental consent, order, or any action applicable thereto. No consent, approval or authorization of, or filing, registration, or qualification with, any governmental authority that has not been obtained is required on the part of the Borrower as a condition to the execution and delivery of this Loan Agreement, the Borrower's Tax Certificate, the undertaking or completion of the Project or the consummation of any transaction herein contemplated.

(g) Compliance with Law.

(1) The Borrower is in compliance with all laws, ordinances, resolutions, governmental rules and regulations to which it is subject, the failure to comply with which would materially adversely affect the ability of the Borrower to conduct its activities or the condition (financial or otherwise) of the Borrower; and,

(2) The Borrower has obtained all licenses, permits, franchises, or other governmental authorizations necessary to the ownership of its property or to the conduct of its activities, and agrees to obtain all licenses, permits, franchises, or other governmental authorizations which may be required in the future, which, if not obtained, would materially adversely affect the ability of the Borrower to conduct its activities or undertake or complete the Project or the condition (financial or otherwise) of the Borrower.

Section 3.02. Particular Covenants of the Borrower.

(a) Performance of this Loan Agreement. The Borrower agrees: (i) to cooperate with the Issuer and the Bank in the performance of the respective obligations of the Bank and the Issuer under this Loan Agreement; (ii) to establish, levy, and collect ad valorem taxes on all taxable property within the City, sufficient to pay when due the annual amounts payable and sufficient to fulfill the terms and provisions of this Loan Agreement; and, (iii) to deliver to the Issuer, the Administrator, and the Bank, and any designee of such parties, any report or certificate required to comply or to evidence compliance with requirements imposed by the Bank.

(b) Inspections. The Borrower shall permit the Issuer, the Administrator, and the Bank, and any party designated by any of such parties, to examine, visit and inspect, at any and all reasonable times, the property, if any, constituting the Project, and to inspect and make copies of any accounts, books, and records, including (without limitation) its records regarding receipts, disbursements, contracts, investments, and any other matters relating thereto (other than documents the confidentiality of which is protected by law or professional codes of ethics) and to its financial standing, and shall supply such reports and information as the Issuer or the Bank may reasonably require in connection therewith.

(c) No Federal Guarantee. The Borrower has not secured and will not secure any of its obligations hereunder by any obligation which is federally guaranteed within the meaning of Section 149(b) of the Code.

(d) Insurance. The Borrower shall maintain or cause to be maintained, in force, insurance with responsible insurers with policies or self insurance with respect to its property, insuring against such casualties and contingencies of such types (including public liability insurance) and in such amounts as are customary in the case of persons engaged in the same or similar activity and similarly situated.

(e) Cost of Project. The Borrower certifies that the Cost of the Project is a reasonable and accurate estimation and upon direction of the Bank, the Administrator, or the Issuer will supply the same with a certificate from independent engineers stating that such Cost of the Project is a reasonable and accurate estimation.

(f) Project. All items constituting the Project constitute a “project” as defined in the Act. The Borrower intends to cause the Project to be operated at all times during the term of the Loan Agreement as a governmental facility which qualifies as a “project” as defined in the Act.

The Loan Amount will not exceed the cost of and incidental costs related to the acquisition, construction, improvement, and financing of the Project and the issuance of the Bond by the Issuer to provide funds to make the Loan. The Project is needed by the Borrower and will not result in an unnecessary duplication of existing facilities. The Project is consistent with the orderly development and provisions of services in the area in which the Borrower is located. The Borrower will proceed with due diligence to complete the Project.

(g) Information. The Borrower shall, at the reasonable request of the Issuer, the Administrator, or the Bank, discuss the Borrower’s financial matters with the Issuer, the Administrator, or the Bank and provide the Issuer, the Administrator, or the Bank with access to and copies of any documents (other than documents the confidentiality of which is protected by law or professional codes of ethics) reasonably requested by the Issuer, the Administrator, or the Bank.

(h) Maintenance and Use of Project.

(1) The Borrower will maintain the Project in good condition and make all necessary renewals, replacements, additions, betterments, and improvements thereof and thereto. However, the Borrower may sell or otherwise dispose of all or any part of the Project for fair market value if such part has become obsolete or outmoded or for other reasons is not needed by the Borrower, so long as (i) the

Borrower shall deliver to the Issuer, the Administrator, and the Bank a Favorable Opinion of Bond Counsel with respect to such sale or other disposition, and (ii) the proceeds of such sale or other disposition are used by the Borrower to purchase replacements or substitutions for the Project sold or disposed of, which replacements or substitutions shall become a part of the Project, or to prepay the Loan. The Borrower represents that it does not presently intend to sell the Project.

(2) The Borrower will not use the Project or suffer or permit the Project or any portion thereof to be used for other than a governmental, public purpose by the Borrower.

(i) Agreements Requested by the Bank. The Borrower shall provide a copy of its annual budget to Bank as soon as it is approved. The Borrower shall also provide a copy of any notices received from any rating agency maintaining a rating on the Borrower which announces a change in such rating.

(j) Delivery of Information. The Borrower will deliver to the Issuer, the Administrator, and the Bank as soon as available and in any event within 270 days after the end of each fiscal year, an audited statement of its financial position as of the end of such fiscal year and the related statements of revenues and expenses for such fiscal year, setting forth in each case in comparative form the figures for the previous fiscal year, all reported on by the independent auditor engaged by the Borrower on the date of this Loan Agreement or other independent certified public accountants acceptable to the Issuer, the Administrator, and the Bank and which shall include the Division of Local Government Audit, or any successor thereto, which acceptance will not be unreasonably withheld, whose report shall state that such financial statements present fairly the financial position as of the end of such fiscal year and the results of operations and changes in financial position for such fiscal year.

(k) Keeping of Records and Books of Account. The Borrower shall keep or cause to be kept proper records and books of account, in which correct and complete entries will be made in accordance with generally accepted accounting principles, consistently applied (except for changes concurred in by the Borrower's auditors) reflecting all of its financial transactions.

(l) Compliance with Laws, Etc. The Borrower shall comply with the requirements of all applicable laws, the terms of all grants, rules, regulations, and orders of any governmental authority, noncompliance with which would, singly or in the aggregate, materially adversely affect its business, properties, earnings, prospects or credit, unless the same shall be contested by it in good faith and by appropriate proceedings which shall operate to stay the enforcement thereof.

(m) Indemnity. To the extent legally permissible, the Borrower will pay, and will protect, indemnify, and save the Issuer and the Administrator, each member, officer, director, employee, and agent of the Issuer and the Administrator, and each other person, if any, who has the power directly or indirectly, to direct or cause the direction of the management and policies of the Issuer, harmless from and against, any and all liabilities, losses, damages, costs, and expenses (including reasonable attorneys' fees), suits, claims and judgments of whatsoever kind and nature (including those in any manner directly or indirectly arising or resulting from the use or operation of the Project) in any manner directly or indirectly (in any case, whether or not by way of the Borrower, its successors and assigns, or directly or indirectly through the agents, contractors, employees, licensees, or otherwise of the Borrower or its successors and assigns) arising or resulting from, out of, or in connection with, the Bond, the Project, this Loan Agreement, or the breach or violation of any event, covenant, representations, or warranty of the Borrower set forth in this Loan Agreement or any document delivered pursuant hereto or thereto or in connection herewith or therewith.

To the extent legally permissible, the Borrower will pay, and will protect, indemnify and save the Bank, the Administrator, and the Issuer, their officers, directors, agents, and employees, and each person, if any, who controls the Bank, the Administrator, or the Issuer or any of its directors, officers, agents, or employees within the meaning of the Securities Exchange Act of 1934, as amended, harmless from and against any and all liabilities, losses, damages, costs, and expenses (including reasonable attorneys' fees), suits, claims and

judgments of whatsoever nature directly or indirectly arising or resulting from, or in connection with, the breach or violation by the Borrower of any agreement, covenant, representation, or warranty of the Borrower set forth in this Loan Agreement or any document delivered pursuant hereto or thereto or in connection herewith or therewith. An indemnified person shall promptly notify the Borrower in writing of any claim or action brought against it, in respect of which indemnity may be sought against the Borrower, setting forth, to the extent reasonably practicable under the circumstances, the particulars of such claim or action, and the Borrower will promptly assume the defense thereof, including the employment of competent counsel satisfactory to such indemnified person and the payment of all expenses.

An indemnified person may employ separate counsel with respect to any such claim or action and participate in the defense thereof, but, except as provided herein, the fees and expenses of such separate counsel shall not be payable by the Borrower unless such employment has been specifically authorized by the Borrower or unless such employment was occasioned by conflicts of interest between and among indemnified persons and/or the Borrower. If the Borrower shall fail to assume the defense of any action as required hereunder, or, within a reasonable time after commencement of such action to retain counsel satisfactory to the indemnified person, the fees and expenses of counsel to such indemnified person hereunder shall be paid by the Borrower.

All amounts payable to or with respect to the Issuer under this Section shall be deemed to be fees and expenses of the Issuer for purposes of the provisions hereof dealing with the assignment of the Issuer's rights hereunder.

The provisions of this subparagraph shall survive the payment in full and termination of this Loan Agreement.

(n) Further Assurance. The Borrower shall execute and deliver to the Issuer, the Administrator, and the Bank all such documents and instruments and do all such other acts and things as may be necessary or required by the Issuer, the Administrator, and the Bank to exercise and enforce their rights under this Loan Agreement and to realize thereon, and record and file and rerecord and re-file all such documents and instruments, at such time or times, in such manner and at such place or places, all as may be necessary or required by the Issuer and the Bank to validate, preserve, and protect the position of the Issuer, the Administrator, and the Bank under this Loan Agreement.

(o) Information Reports. The Borrower covenants to provide the Issuer or the Administrator, on behalf of the Issuer, with all material information necessary to enable the Issuer to file all reports required under Section 149(e) of the Code, if any, to assure that interest paid by the Issuer on the Bond shall be excluded from gross income of the owner for federal income tax purposes.

(p) Tax Exempt Status of Bond. The Issuer and the Borrower understand that it is the intention hereof that the interest on the Bond not be included within the gross income of the owner thereof for federal income tax purposes. In furtherance thereof, the Borrower agrees that it will take all action within its control which is necessary in order for the interest on the Bond to remain excludable from gross income, as defined in Section 61 of the Code, of the owner thereof for federal income tax purposes and shall refrain from taking any action which results in such interest becoming so included.

The Borrower covenants that it will record or file or cause to be recorded or filed in such manner and in such places whatever documents as may be required by law, the Bank or the Issuer to be recorded or filed in order to protect fully the security of the owner of the Bond, and, if applicable, the tax-exempt status of such Bond, including, but not limited to, the filing of all reports as may be required from time to time pursuant to the Code.

The Borrower further covenants that it will not take any action or fail to take any action with respect to the investment of the proceeds of the Bond, with respect to the payments derived from the Bond, or with respect

to the purchase of other obligations, which action or failure to act may cause the Bond to be an "arbitrage bond" within the meaning of such term as used in Section 148 of the Code.

The Borrower will file, or cause to be filed, a Form 8038-G (or successor form) with respect to the Loan in a timely manner. The Borrower has on the date hereof executed a Borrower's Tax Certificate and hereby agrees to observe all covenants contained therein.

(q) Maintenance of Existence; Merger, Consolidation, Etc. The Borrower will maintain its corporate existence, and status as a municipal corporation, as defined in the Act, except that it may dissolve or otherwise dispose of all or substantially all of its assets and may consolidate with or merge into another corporation or permit one or more corporations to consolidate with or merge into it if (i) the surviving, resulting, or transferee corporation is a municipal corporation, as defined in the Act, and, if other than the Borrower, assumes in writing all of the obligations of the Borrower hereunder; and (ii) such action does not result in any default in the performance or observance of any of the terms, covenants or agreements of the Borrower under this Loan Agreement. In addition, the Borrower will obtain (y) an opinion of Borrower's counsel that the merger or consolidation complies with this paragraph (q), and (z) a Favorable Opinion of Bond Counsel delivered to the Issuer and the Bank with respect to the merger or consolidation.

(r) Use of Proceeds. Except to the extent that the Borrower shall deliver to the Issuer, the Administrator, and the Bank a Favorable Opinion of Bond Counsel with respect to the failure of the Borrower to comply with any of the agreements on its part contained in the following paragraphs, the Borrower represents and agrees as follows with respect to the use of the Loan Amount; *provided, however*, that if the Borrower shall deliver to the Issuer, the Administrator, and the Bank a Favorable Opinion of Bond Counsel with respect to compliance with a requirement other than, different from or in addition to those set forth below, then the Borrower shall comply with such other, different or additional requirement:

(1) The Borrower will apply the Loan Amount from the Issuer solely for the financing of the Project as set forth in EXHIBIT A hereto. The Project shall be used in or in connection with the governmental purposes of the Borrower consistent with the Borrower Resolutions.

(2) None of the Loan Amount is being or will be used to refund or refinance any debt instruments, except as provided in this Loan Agreement and consistent with the terms of the Borrower Resolutions.

(3) The Borrower covenants that neither it nor any related person as contemplated by United States Treasury Regulation Section 1.148-1(b) shall, pursuant to an arrangement, formal or informal, purchase any bonds of the Issuer in an amount related to the Loan Amount delivered in connection with the transaction contemplated hereby.

(4) The Borrower will not use any of the Loan Amount in any manner that would cause the Bond to be an "arbitrage bond" within the meaning of Section 148 of the Code and will take such actions as are necessary and within its power to assure that the interest on the Bond will not be subject to inclusion in the gross income of the owner thereof for federal income tax purposes by virtue of the Bond being an "arbitrage bond".

(5) (a) No more than five percent of the Loan Amount plus investment earnings thereon will be used, directly or indirectly, in whole or in part, in any activity carried on by any person other than a state or local governmental unit.

(b) The payment of more than five percent of the principal of or the interest on the Loan Amount will not be, directly or indirectly (i) secured by any interest in (A) property used or to be used in any activity carried on by any person other than a state or local governmental unit or (B) payments in respect of such property or (ii) on a present

value basis, derived from payments (whether or not by or to the Issuer) in respect of property, or borrowed money, used or to be used in any activity carried on by any person other than a state or local governmental unit.

(c) No more than five percent of the Loan Amount and investment earnings thereon will be used, directly or indirectly, to make or finance loans to any persons.

(d) No users of the Project other than state or local governmental units will use more than five percent of the Project, in the aggregate, on any basis other than the same basis as the general public; and no person other than a state or local governmental unit will be users of more than five percent of the Project, in the aggregate, as a result of (i) ownership, (ii) actual or beneficial use pursuant to a lease or a management, service, incentive payment or output contract, or (iii) any other similar arrangement, agreement or understanding, whether written or oral.

(6) The Borrower will not permit any direct or indirect guarantees of the Loan if any person obligated on such guarantee is an "insider" as defined in Section 101 of the United States Bankruptcy Code.

(7) The Borrower will apply the Loan Amount solely for the financing of or to reimburse itself for the Cost of the Project. The Borrower shall, as quickly as reasonably possible, and with due diligence, spend the Loan Amount for the cost of acquiring, constructing, improving, or financing such Project.

ARTICLE IV

LOAN TO BORROWER; AMOUNTS PAYABLE; GENERAL AGREEMENTS

Section 4.01. The Loan. In order to provide funds for the purpose of financing the Costs of the Project and to pay the costs in connection with the issuance of the Bond and the loan of the proceeds thereof to the Borrower, the Bank, upon the closing of the Loan, will commit to fund the Loan Commitment Amount, which shall be deposited from time to time in a Project Fund established by the Borrower, in amounts corresponding to each Drawing.

The Bank, as the purchaser of the Bond, shall make the Loan to the Borrower from time to time by disbursing amounts to the Borrower upon receipt of a requisition substantially in the form of EXHIBIT E hereto and meeting the requirements of Sections 4.04 and 4.06 hereof; *provided, however*, no disbursement shall be made if a Loan Default has occurred and is continuing under this Loan Agreement. The proceeds of the Loan shall be used strictly in accordance with Section 3.02(r).

Section 4.02. Sufficiency of Loan Amounts. None of the Issuer, the Administrator, or the Bank warrants or represents in any way that the Loan Amount will be sufficient to finance the entire Cost of the Project.

Section 4.03. Commencement of Loan Agreement Term. The Borrower's obligations under this Loan Agreement shall commence on the date of this Loan Agreement and shall continue until the payment of the principal, interest, and fees, if any, on the Loan are fully paid.

Section 4.04. Loan Closing Submissions. At the Closing for the Loan, the Borrower will provide, or cause to be provided, to the Issuer, the Administrator, and the Bank the following documentation:

(a) Resolution of the Borrower and evidence satisfactory to Bond Counsel that any provisions found in Title 9, Chapter 21 of Tennessee Code Annotated, as amended, have been complied with which are necessary for the Borrower to incur indebtedness pursuant to this Loan Agreement.

(b) Resolution of the Borrower authorizing the Loan and the execution and delivery of the Loan Agreement and related documents, a copy of which is attached hereto as EXHIBIT C;

(c) An opinion of the Borrower's Counsel addressed to the Issuer, Bond Counsel, and the Bank, a copy of which is attached hereto as EXHIBIT D;

(d) A letter from the Bank or other evidence satisfactory to the Issuer and the Administrator attached hereto as EXHIBIT F to the effect that the Bank has approved the Loan;

(e) Evidence of approval attached hereto as EXHIBIT G from the Director of Local Government Finance;

(f) An opinion or opinions addressed to, and in form and substance acceptable to, the Issuer and the Bank of Bond Counsel to the effect that such financing with Loan proceeds is permitted under the Act and the Borrower Resolutions authorizing this Loan Agreement and will not cause the interest on the Bond to be included in gross income of the owner thereof for federal income tax purposes or adversely affect the validity, due authorization for or legality of the Bond;

(g) An executed Borrower's Tax Certificate attached hereto as EXHIBIT H; and,

(h) Such other certificates, documents, and information as the Issuer, the Administrator, the Bank, and Bond Counsel may require.

All opinions and certificates shall be dated the date of the Closing.

Section 4.05. Evidence of Loan. The Borrower's obligation to repay the Loan Amount together with interest thereon, and other payments required under this Loan Agreement, shall be evidenced by this Loan Agreement.

Section 4.06. Disbursement of Funds from Project Fund. The Borrower shall establish a special fund to be known as the "City of East Ridge Loan Project Fund," or such other designation as the Mayor shall determine (the "Project Fund"). From the date of Closing for a period of thirty-six (36) months, Loan proceeds shall be disbursed to the Borrower, from time to time, upon submission to the Bank and the Administrator of requisitions by an Authorized Officer of the Borrower substantially in the form attached hereto as EXHIBIT E demonstrating that Costs of the Project have been paid by the Borrower or are due and payable by the Borrower (each a "Drawing"). The Borrower hereby agrees that approximately one-third of the Loan Commitment Amount shall be drawn each year. The Borrower shall also provide such other certificates, documents, and information related to the Project or the Loan as the Bank, the Administrator, or the Issuer may require.

Upon completion of the Project, the Borrower shall give notice to the Administrator and the Bank in writing stating that such Project has been completed and that no additional funds will be requested from the Project Fund.

Section 4.07. Designee of Issuer for Loan Repayments. The Borrower shall make Loan Repayments, as provided herein, in lawful money of the United States of America directly to the Bank, as the

Issuer's designee for receipt of such Loan payments hereunder. Each such Loan Repayment shall be made by the Borrower by wire transfer of immediately available funds directly to the Bank, as the designee of the Issuer.

Section 4.08. Loan Repayments: Term of Loan. (a) The Loan Amount shall be repaid in installments, consisting of (i) annual principal repayments payable in such amounts on the Loan Repayment Dates as set forth on the Repayment Exhibit attached hereto; and (ii) semiannual interest payments on the Outstanding Loan Amount. All rates of interest specified herein shall be computed on the basis of a three hundred sixty (360) day year composed of twelve (12) months of thirty (30) days each.

The interest portion of the Loan Repayments shall be due semiannually on each Loan Repayment Date commencing on March 1, 2023. After the first of the month immediately preceding the Loan Repayment Date and each six months thereafter, the Bank will bill the City for the interest due during such six month period based on the Outstanding Loan Amount as of the first day of each month. The Bank will furnish the invoice to the Borrower and the Administrator at least fifteen (15) days prior to the payment date.

All Loan Repayments shall be due as set forth above unless the Loan is prepaid in whole or in part prior to its maturity.

Loan Repayments shall be applied as follows: (i) first, to pay the interest portion of Loan Repayments, and (ii) second, to pay the principal portion of the Loan Repayments.

The Bank, at its sole option, may (i) extend the Scheduled Put Option Date for purposes of this Loan Agreement for an additional term of five (5) years or (ii) put the Bond to the Issuer for purchase on such Scheduled Put Option Date; provided, however, unless on or before one hundred eighty (180) days prior to the Scheduled Put Option Date, the Bank shall have notified the Issuer, the Borrower, and the Administrator, in writing, that it intends to put the Bond to the Issuer for purchase on the next Scheduled Put Option Date, then the Bank shall be obligated to extend the Scheduled Put Option Date for an additional five (5) year term from the then stated Scheduled Put Option Date.

If the Bank elects (or is deemed to have elected) to extend the Scheduled Put Option Date, its obligation to do so shall nevertheless be conditioned on no Loan Default existing hereunder on the Scheduled Put Option Date.

The Council of the City understands and is aware it may be required to either pay in full or refund the outstanding debt evidenced by the Loan Agreement in the event the Bank exercises its Put Option on the Scheduled Put Option Date. The Council has by its Loan Resolution found that it is aware of the risks and benefits associated with the debt evidenced by the Loan Agreement and the Put Option and that the repayment structure of the debt evidenced by the Loan Agreement (including the Put Option) is in the public interest of the City.

The Council hereby agrees that it is willing to pay additional issuance costs associated with the refunding of the Loan and related Bond in the event the Put Option is exercised by the Bank. In the event that the Put Option is exercised by the Bank, and the City is unable to pay the Loan amount in full on such date and no subsequent holder can be determined, the Council commits to refund the Loan in the following manner:

- (x) the Council shall submit a plan of refunding to the Comptroller or Comptroller's designee;**
- (y) the final maturity of the refunding debt obligation will not extend beyond the final maturity of the original Loan Agreement; and,**

- (z) **the debt service structure of the refunding debt obligation will be substantially similar to or more declining than the debt structure of the original Loan Agreement.**

Further, if the Bank elects to extend the Scheduled Put Option Date, it may at its sole option, elect to change the Loan Rate on the Bond and the Loan by notice delivered to the Issuer, the Borrower, and the Administrator not less than one hundred eighty (180) days prior to the Scheduled Put Option Date, of the new Loan Rate for the next five (5) year term. If the Borrower agrees to the new Loan Rate, the Bank will cause to be provided to the Borrower an amended Repayment Exhibit showing the debt service schedule of Loan Repayments with the revised interest payments and Loan Rate for the next five (5) year term; provided, however, that the principal payments due on each principal payment date shall not be revised due to any rate adjustment.

Section 4.09. Unconditional Obligation to Pay Loan Repayments. The obligation of the Borrower to make payment of Loan Repayments or any other amounts required by this Article IV and other Sections hereof, and to perform and observe the other covenants and agreements contained herein, shall be absolute and unconditional in all events except as otherwise expressly provided in this Loan Agreement. Notwithstanding any dispute between the Borrower and the Issuer, the Bank, or any other person, the Borrower shall make all payments of Loan Repayments when due and shall not withhold any Loan Repayments pending final resolution of such dispute, nor shall the Borrower assert any right of setoff or counterclaim against its obligation to make such payments required under this Loan Agreement.

The Borrower's obligation to pay rebate liability, if any, shall survive payment of the Loan and termination of this Loan Agreement. The Issuer and the Borrower agree that the Borrower shall bear all risk of damage or destruction in whole or in part to the Project or any part thereof, including without limitation any loss, complete or partial, or interruption in the use, occupancy or operation of the Project, or any manner or thing which for any reason interferes with, prevents or renders burdensome the use or occupancy of the Project or the compliance by the Borrower with any of the terms of this Loan Agreement. Notwithstanding the foregoing, this Section 4.09 shall not limit the rights of the Borrower to recover amounts owing to it, except as specifically set forth herein.

Section 4.10. Optional Prepayment. The Loan Repayments may not be prepaid, in whole, during the first five (5) years of the Loan from the Closing Date of the Loan.

After the five year period, the Borrower may prepay the Loan Repayments, in whole, at the price of par, plus accrued interest, to the date of prepayment, by providing a thirty (30) day notice in writing to the Issuer, the Bank, and the Administrator (the "30-Day Legal Notice of Prepayment").

Additionally, a sixty (60) day notice in writing to the Administrator (the "60-Day Notice of Intent"), is required to provide the opportunity for the Administrator to make a proposal to the Borrower. The 60-day Notice of Intent may occur as early as sixty (60) days prior to the end of the five-year period; however, in no event, shall the notice be less than sixty (60) days prior to the legally binding 30-Day Legal Notice of Prepayment. If the 60-Day Notice of Intent is not given to the Administrator, then the 30-Day Legal Notice of Prepayment shall be of no force and effect.

Notwithstanding the above, the Borrower may make additional Loan Repayment, upon thirty (30) days' written notice to the Administrator and the Bank, after the initial five year period; provided, however, that such additional payments of principal must be paid from Borrower funds, not borrowed funds.

Section 4.11. Arbitrage Certification. The Borrower recognizes that the purchaser of the Bond will have accepted it on, and paid therefor a price that reflects, the understanding that interest thereon is excludable from gross income for purposes of federal income taxation under laws in force on the date of delivery of the Bond. In this connection, the Borrower agrees that it shall take no action which may cause the interest on said Bond to be included in gross income for federal income taxation. It is the reasonable expectation of the Council

of the Borrower that the proceeds of the Bond will not be used in a manner which will cause the Bond to be an "arbitrage bond" within the meaning of Section 148 of the Code, and to this end the said proceeds of the Bond and other related funds established for the purposes herein set out shall be used and spent expeditiously for the purposes described herein. The Council further covenants and represents that in the event it shall be required by Section 148(f) of the Code to pay any investment proceeds of the Bond to the United States Government, it will make such payments as and when required by said Section 148(f) and will take such other actions as shall be necessary or permitted to prevent the interest on the Bond from becoming taxable. The Mayor and the City Manager, or either of them, are authorized and directed to make such certifications in this regard in connection with the sale of the Bond as either or both shall deem appropriate, and such certifications shall constitute a representation and certification of the City.

ARTICLE V

SOURCE OF PAYMENT

Section 5.01. Source of Payment. The Loan shall be payable from any and all funds of the City legally available therefor, including, but not necessarily limited to, ad valorem taxes to be levied for such purpose on all taxable property within the City. For the punctual payment of said principal of, premium, if any, and interest on, the Loan Agreement, the full faith and credit of the City has been irrevocably pledged. The Loan is a general obligation of the City, consistent with Tennessee law.

Section 5.02. Levy of Tax. The Borrower, through its Council to the extent necessary, shall annually levy and collect a tax upon all taxable property within the City, in addition to all other taxes authorized by law, sufficient to pay principal and interest on the Loan when due.

ARTICLE VI

LOAN DEFAULTS AND REMEDIES

Section 6.01. Loan Defaults. If any of the following events occurs, it is hereby defined as and declared to be and to constitute a "Loan Default":

(a) failure by the Borrower to pay any payment obligation required to be paid hereunder when due, which failure shall continue a period of five Business Days;

(b) failure by the Borrower to observe and perform any covenant, condition or agreement on its part to be observed or performed under this Loan Agreement, other than as referred to in paragraph (a) or (c) through (f) of this Section, which failure shall continue for a period of thirty (30) calendar days after written notice, specifying such failure and requesting that it be remedied, is given to the Borrower by Issuer or the Bank, unless the Issuer and the Bank shall agree in writing to an extension of such time prior to its expiration; provided, however, that if the failure stated in such notice is correctable but cannot be corrected within the applicable period the Issuer and the Bank may not unreasonably withhold their consent to an extension of such time up to thirty (30) calendar days from the delivery of the written notice referred to above if corrective action is instituted by the Borrower in the applicable period and diligently pursued until the Loan Default is corrected;

(c) any representation made by or on behalf of the Borrower contained in this Loan Agreement, or in any instrument furnished in compliance with or with reference to this Loan Agreement or the Loan, is false or misleading in any material respect on the date on which such representation is made;

(d) a petition is filed by or against the Borrower under any federal or state bankruptcy or insolvency law or other similar law in effect on the date of this Loan Agreement or thereafter enacted, unless in the case of any such petition filed against the Borrower such petition shall be dismissed within thirty (30) calendar days after such filing and such dismissal shall be final and not subject to appeal; or the Borrower shall become

insolvent or bankrupt or make an assignment for the benefit of its creditors; or a custodian (including, without limitation, a receiver, liquidator or trustee) of the Borrower or any of its property shall be appointed by court order or take possession of the Borrower or its property if such order remains in effect or such possession continues for more than thirty (30) calendar days;

(e) the Borrower shall generally fail to pay its debts as such debts become due; and,

(f) any material provision of this Loan Agreement shall at any time for any reason cease to be valid and binding on the Borrower, or shall be declared to be null and void, or the validity or enforceability of any thereof shall be contested by the Borrower or any governmental agency or authority (other than the Issuer), or if the Borrower shall deny any further liability or obligation under this Loan Agreement.

Section 6.02. Notice of Default. The Borrower shall give the Bank, the Administrator, and the Issuer prompt telephonic notice of the occurrence of any event referred to in Section 6.01 (d) or (e) hereof and of the occurrence of any other event or condition that constitutes a Default or a Loan Default at such time as any Authorized Officer of the Borrower becomes aware of the existence thereof.

Section 6.03. Remedies on Default. Whenever a Loan Default referred to in Section 6.01 shall have happened and be continuing, the Bank shall have the right to take any action permitted or required pursuant to this Loan Agreement and the Bond Purchase Agreement and to take one or more of the following remedial steps:

(a) declare all Loan Repayments and all other amounts due hereunder to be immediately due and payable, and upon notice to the Borrower the same shall become immediately due and payable by the Borrower without further notice or demand; and,

(b) take whatever other action at law or in equity may appear necessary or desirable to collect the amounts then due and thereafter to become due hereunder or to enforce the performance and observance of any obligation, agreement or covenant of the Borrower hereunder.

In addition, if a Loan Default referred to in Section 6.01(d) or (e) shall have occurred, the Issuer shall, with notice to the Administrator and with the consent of the Bank, declare all Loan Repayments and all other amounts due hereunder to be immediately due and payable, and upon notice to the Borrower the same shall become due and payable without further notice or demand.

Section 6.04. Attorney's Fees and Other Expenses. The Borrower shall on demand pay to the Issuer, the Administrator, or the Bank the reasonable fees and expenses of attorneys and other reasonable expenses including, without limitation, the reasonably allocated costs of in-house counsel and legal staff incurred by any of them in collection of Loan Repayments or any other sum due hereunder or in the enforcement of performance of any other obligations of the Borrower upon a Loan Default.

Section 6.05. Applications of Moneys. Any moneys collected by the Issuer, the Administrator, or the Bank pursuant to Section 6.03 hereof shall be applied in the same manner as Loan Repayments are applied pursuant to Section 4.08 hereof. Any moneys remaining shall be paid as owed, first to the Bank and then credited to Loan Repayments of the Borrower.

Section 6.06. No Remedy Exclusive; Waiver; Notice. No remedy herein conferred upon or reserved to the Issuer or the Bank is intended to be exclusive and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Loan Agreement or now or hereafter existing at law or in equity. No delay or omission to exercise any right, remedy or power accruing upon any Default or Loan Default shall impair any such right, remedy or power or shall be construed to be a waiver thereof, but any such right, remedy or power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the

Issuer or the Bank to exercise any remedy reserved to it in this Article, it shall not be necessary to give any notice, other than such notice as may be required in this Article VI.

Section 6.07. Retention of the Issuer's Rights. Notwithstanding any assignment or transfer of this Loan Agreement, or part thereof, pursuant to the provisions hereof or anything else to the contrary contained herein, the Issuer shall have the right upon the occurrence of a Loan Default to take any action, including, without limitation, bringing an action against the Borrower at law or in equity, as the Issuer may, in its discretion, deem necessary to enforce the obligations of the Borrower to the Issuer pursuant to Section 6.04 hereof.

ARTICLE VII

TITLE TO PROJECT

Title to the Project will initially be in the Borrower. Provided the Borrower shall obtain a Favorable Opinion of Bond Counsel, the Borrower shall have the right to convey the Project to any other persons, subject to the limitations, if any, contained in other provisions of this Loan Agreement and the Borrower's Tax Certificate. Upon, and as a condition to, any such conveyance not permitted hereby, the Borrower shall prepay the Outstanding Loan Amount immediately upon demand of the Issuer or the Bank.

ARTICLE VIII

DISCLAIMER OF WARRANTIES; VENDOR'S WARRANTIES; INDEMNIFICATION

Section 8.01. Disclaimer of Warranties. Neither the Issuer, the Administrator, nor the Bank makes any warranty or representation, either express or implied, as to the value, design, condition, merchantability or fitness for particular purpose or fitness of the use of the Project or any portion thereof or any warranty with respect thereto. In no event shall the Issuer or the Bank be liable for any incidental, indirect, special or consequential damage in connection with or arising out of this Loan Agreement or the existence, furnishing, functioning or the Borrower's use of the Project or any item or products or services provided in this Loan Agreement.

Section 8.02. Warranties. The Borrower's sole remedy for the breach of any warranty, right of indemnification or representation relating to the Project or any part thereof shall be against the vendors or manufacturers of the Project and not against the Issuer or the Bank nor shall such matter have any effect whatsoever on the rights and obligations of the Borrower or the Issuer with respect to this Loan Agreement. The Borrower expressly acknowledges that neither the Issuer nor the Bank makes, or has made, any representation or warranty whatsoever as to the existence or availability of any such warranties of such vendors or manufacturers.

Section 8.03. Indemnity and Hold Harmless Provisions. To the extent legally permissible, the Borrower hereby releases the Issuer, the Administrator, and the Bank and their respective members, agents, employees, attorneys, and consultants from, agrees that the Issuer, the Administrator, and the Bank and their respective members, agents, employees, attorneys, and consultants shall not be liable for, and agrees to reimburse and indemnify and hold the Issuer, the Administrator, and the Bank, and their respective members, agents, employees, attorneys, and consultants harmless from and against, any and all: (1) liability for loss to the Project (or any injury to or death of any and all persons that may be occasioned by any cause whatsoever pertaining to Project or arising by reason of or in connection with the acquisition, installation, maintenance, checkout, or use of or failure to use the Project); (2) liability arising from, or expense incurred by the Issuer and the Bank by reason of, the Loan or this Loan Agreement and all causes of action and attorneys' fees and any other expense incurred in defending any suits or actions which may arise as a result of any of the foregoing; and, (3) all costs and expenses of the Issuer and the Bank and their respective officers, directors, employees, agents,

and attorneys incurred as a result of carrying out their obligations under this Loan Agreement; provided, however, the provisions of this Section 8.03 shall survive the termination of this Loan Agreement.

Section 8.04. Reimbursement of Issuer, Administrator, and Bank. Notwithstanding that it is the intention of the parties hereto, other than herein expressly provided, that the Issuer, the Administrator, or the Bank shall not incur any pecuniary liability by reason of this Loan Agreement or the Loan, or by reason of any actions, documents, statutes, ordinances, or regulations pertaining to the foregoing, the Borrower hereby agrees to promptly pay any and all costs and expenses (including attorneys' fees), as such costs and expenses accrue, which may be incurred by, or judgments which may be rendered against, the Issuer, the Administrator, or the Bank or any of their respective officers, employees, or agents, at any time or times during, or subsequent to, the term of the Loan: (1) in enforcing any of the terms, covenants, conditions, or provisions of this Loan Agreement or any other document herein contemplated; (2) in taking any action as a result of the occurrence of any Loan Default; or, (3) in defending any action, suit, or proceeding brought against the Issuer or the Bank or any of their respective officers, employees or agents, as a result of the violation by the Borrower of, or failure by the Borrower to comply with, any present or future federal, State or municipal law, ordinance, regulation, or order, or as a result of any alleged failure, neglect, misfeasance, malfeasance or default on the part of the Borrower, or any of the employees, servants, agents, or independent contractors of the Borrower in connection with, arising from, or growing out of, this Loan Agreement or the Loan or the Project, or any activities conducted with, or any use of or failure to use, the Project, or any action pertaining to, or connected with, any of the foregoing.

ARTICLE IX

MISCELLANEOUS

Section 9.01. Notices. All notices, certificates, or other communications hereunder shall be sufficiently given and shall be deemed given when hand delivered or mailed by certified mail, postage prepaid, to the Issuer, the Bank, the Administrator, and the Borrower at the following addresses:

- (a) Issuer:
The Public Building Authority of the City
of Clarksville, Tennessee
c/o Runyon & Runyon
301 Main Street
Clarksville, Tennessee 37040
- (b) Administrator:
Tennessee Municipal Bond Fund
226 Anne Dallas Dudley Boulevard, Suite 502
Nashville, Tennessee 37219
Attention: President/CEO
- (c) Bank:

First Horizon Bank
511 Union Street, 4th Floor
Nashville, Tennessee 37219
Attention: W.A. Stringer
- (d) Borrower:
City of East Ridge, Tennessee
1517 Tombras Avenue
East Ridge, Tennessee 37412
Attention: City Manager

Any of the foregoing parties may designate any further or different addresses to which subsequent notices, certificate or other communications shall be sent, by notice in writing given to the others.

Section 9.02. Binding Effect. This Loan Agreement shall inure to the benefit of and shall be binding upon the Issuer, the Administrator, the Bank, and the Borrower and their respective successors and assigns.

Section 9.03. Severability. In the event any provision of this Loan Agreement shall be held illegal, invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate, render unenforceable or otherwise affect any other provision hereof.

Section 9.04. Amendments, Changes and Modifications. In order to induce the Bank to purchase the Bond, the Issuer and the Borrower hereby agree that they will not, without the prior written approval of the Bank, enter into any amendment, change, or modification of this Loan Agreement.

Section 9.05. Execution in Counterparts. This Loan Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 9.06. Applicable Law. This Loan Agreement shall be governed by and construed in accordance with the laws of the State.

Section 9.07. Consent and Approvals. Whenever the written consent or approval of the Issuer shall be required under the provisions of this Loan Agreement, such consent or approval may only be given by the Issuer unless otherwise provided by law or by rules, regulations or resolutions of the Issuer or unless expressly delegated to the Bank.

Section 9.08. Captions. The captions or headings in this Loan Agreement are for convenience only and shall not in any way define, limit or describe the scope or intent of any provisions or sections of this Loan Agreement.

Section 9.09. Benefits of Loan Agreement. This Loan Agreement is executed, among other reasons, to induce the purchase of the Bond by the Bank pursuant to the Bond Purchase Agreement. Accordingly, all covenants, representations, and agreements of the Borrower herein contained are hereby declared to be for the benefit of the Issuer, the Administrator, and the Bank. The Borrower covenants and agrees to comply with, and to enable the Issuer to comply with, all covenants and requirements contained in the Bond Purchase Agreement and the Issuer's Tax Certificate.

Section 9.10. Refunding Bonds. In the event the Bond is refunded, all references in this Loan Agreement to the Bond shall be deemed to refer to the refunding bonds.

Section 9.11. Further Assurances. The Borrower shall, at the request of the Bank, the Administrator, or the Issuer, execute, acknowledge, and deliver such further resolutions, conveyances, transfers, assurances, financing statements, and other instruments as may be necessary or desirable for better assuring, conveying, granting, assigning, and confirming the rights, security interests and agreements granted or intended to be granted by this Loan Agreement.

IN WITNESS WHEREOF, the Issuer, the Borrower, and the Bank have caused this Loan Agreement to be executed and delivered, as of the execution date set forth on EXHIBIT A hereto.

THE PUBLIC BUILDING AUTHORITY OF THE
CITY OF CLARKSVILLE, TENNESSEE

By: _____
Chairman

ATTEST:

By: _____
Secretary

CITY OF EAST RIDGE TENNESSEE

By: _____
Mayor

ATTEST:

By: _____
City Manager

FIRST HORIZON TE1, LLC.

By: First Horizon Bank, as attorney in fact,
with full power of substitution

By: _____
Senior Vice President

Acknowledged by:

TENNESSEE MUNICIPAL BOND FUND

By: _____
President

Exhibit A

Description of the Loan

(1) Execution Date of this Loan Agreement: October 13, 2022

(2) Name and Address of Borrower:

City of East Ridge, Tennessee
1517 Tombras Avenue
East Ridge, Tennessee 37412
Attention: City Manager
Telephone: 423-867-7711
Email: cdorsey@eastridgetn.gov

Billing Contact:

City of East Ridge, Tennessee
1517 Tombras Avenue
East Ridge, Tennessee 37412
Attention: Finance Director
Telephone: 423-867-7711
Email: dqualls@eastridgetn.gov

(3) Loan Amount: \$10,000,000

(4) Estimated Completion Date: October, 2025

(5) Loan Term: 20 years (subject to the provisions of Section 4.08 hereof)

(6) Description of the Project:

All or a portion of the costs of road construction within the City, including the construction of both ends of North Mack Smith Road and the Ringold Road Multi-Modal project, and the construction of an animal shelter for the City, the acquisition of all other property real and personal, appurtenant thereto or connected with such work, and to pay legal, fiscal, administrative, and engineering costs, and to pay costs incident to the issuance of the Bond and the loan of the proceeds thereof to the City

Exhibit B
Repayment Exhibit

DRAFT

Exhibit C

Copy of Borrower Loan Resolution

DRAFT

Exhibit D

Copy of Opinion of Counsel to the Borrower

DRAFT

Exhibit E

Form of Request for Disbursement

\$10,000,000

**The Public Building Authority of the City of Clarksville, Tennessee
Local Government Loan Program Bond, Series 2022
(City of East Ridge Loan)**

Request No. _____

The undersigned, duly Authorized Officers of the **City of East Ridge, Tennessee** (the "Borrower"), submit this Request for Disbursement and certify as set forth below on behalf of the Borrower, pursuant to Section 4.06 of that certain Loan Agreement, by and among The Public Building Authority of the City of Clarksville, Tennessee, First Horizon TE1, LLC, a subsidiary of First Horizon Bank, Nashville, Tennessee (the "Bank"), and the Borrower, dated as of **October 13, 2022**, in the amount of **\$10,000,000** (the "Loan Agreement"), such loan being made from the proceeds of that certain **Local Government Loan Program Bond, Series 2022 (City of East Ridge Loan)**, as follows:

1. \$_____ has been paid by the Borrower or is due and owing with respect to the Project. The names of the persons, firms or corporations to whom payment is due, a brief description of the services performed and/or materials provided by each and the amount paid or due all of which are listed on the attached Schedule, which amounts total the amount requested herein.

2. This request has not been the subject of a previous Request for Disbursement.

3. The subject of this request is a proper Cost of the Project, as described in the Loan Agreement.

4. The amount requested should be wired to:

Bank: _____

Account Number: _____

Account Name: _____

ABA Number: _____

We understand that this Request for Disbursement must be emailed to the undersigned by the 25th day of the month, followed by mailing the original to the Bank, in order to receive such disbursement on the first day of the following month. We also understand that we must call 615-734-6516 or 615-255-1561 to confirm receipt of such email, unless receipt of the Request is acknowledged by email

IN WITNESS WHEREOF, the undersigned have hereunto set their hands, this _____ day of _____, 2022.

CITY OF EAST RIDGE, TENNESSEE

By: _____
Mayor

Attest:

By: _____
City Manager

This Request for Disbursement should be submitted to:

**First Horizon Bank
511 Union Street
Fourth Floor
Nashville, Tennessee 37219
Attention: Pete Stringer
Phone Number: 615-734-6516
Email: wastringer@firsttennessee.com**

and

**Tennessee Municipal Bond Fund
226 Anne Dallas Dudley Boulevard, Suite 502
Nashville, Tennessee 37219
Attention: Wade Morrell
Phone Number: 615-255-1561
Email: wmorrell@tmbf.net**

SCHEDULE TO REQUEST FOR DISBURSEMENT

The names of the persons, firms or corporations to whom payment is due, a brief description of the services performed and/or materials provided by each and the amount paid or due each are listed as follows (Copies of invoices will be provided upon request of the Administrator):

Person, Firm or Corporation
to whom payment is Due:

Amount Paid or Due:

Description of services
performed or materials
provided:

DRAFT

Exhibit F
Approval of Bank

DRAFT

Exhibit G

Approval of Director of Local Government Finance

DRAFT

Exhibit H

Borrower's Tax Certificate

DRAFT

BORROWER'S TAX CERTIFICATE

The undersigned, being the duly elected and qualified Mayor of City of East Ridge, Tennessee (the "Borrower"), hereby certifies with respect to the Borrower's obligations evidenced by that certain Loan Agreement (the "Loan Agreement"), by and among the Borrower, The Public Building Authority of the City of Clarksville, Tennessee (the "Issuer"), and First Horizon TE1, LLC, a subsidiary of First Horizon Bank, Nashville, Tennessee (the "Bank"), dated the date hereof, in the original principal amount of \$10,000,000 (the "Loan"), as follows:

A. General.

1. I, along with other officers of the Borrower, am charged with the responsibility for issuing the Loan.

2. This certificate is made pursuant to Sections 103 and 141 through 150 of the Internal Revenue Code of 1986, as amended to the date hereof (the "Code"), and Treasury Regulations Sections 1.148-0 through 1.148-11, 1.149(b)-1, 1.149(g)-1, 1.150-1, and 1.150-2 (the "Regulations").

3. This certificate is based on the facts and estimates described herein in existence on this date, which is the date of delivery of the Loan to the Issuer and deposit of amounts to a Project Fund for the Borrower; and, on the basis of such facts and estimates, the Borrower expects that the future events described herein will occur. To the best of the knowledge and belief of the undersigned, the expectations set forth herein are reasonable.

4. A capitalized term used and not otherwise defined herein has the meaning ascribed to such term in the Loan Agreement.

B. Purpose and Size.

1. The Loan is being issued pursuant to the Loan Agreement to finance capital expenditures for the purpose of financing all or a portion of the costs of road construction within the City, including the construction of both ends of North Mack Smith Road and the Ringold Road Multi-Modal project, and the construction of an animal shelter for the City, the acquisition of all other property real and personal, appurtenant thereto or connected with such work, and to pay legal, fiscal, administrative, and engineering costs, and to pay costs incident to the issuance of the Bond and the loan of the proceeds thereof to the City, as more fully described in the Loan Agreement (the "Project"), and to pay costs of issuance and administration of the Issuer's obligations issued to finance the Loan. The amounts received from sale of the Loan, when added to amounts expected to be received from the investment of such proceeds, do not exceed the amounts which will be required to pay the costs of the Project and the costs of issuing and administering the Issuer's obligations issued to finance the Loan.

2. The Project will be owned, operated, and maintained by the Borrower, and the Borrower has not contracted in any manner with any company, firm or other person or entity to operate or maintain the Project or any part thereof, for and on behalf of the Borrower. The Borrower does not expect to enter into any contract for the operation, maintenance, or management of the Project or any part thereof.

3. There is not, and as of the date hereof the Borrower does not anticipate entering into, any lease, contract or other understanding or arrangement, such as a take-or-pay contract or output contract, with any person other than a state or local governmental unit, pursuant to which the Borrower expects that proceeds of the Loan, or the Project financed therewith or any part thereof, will be used in the trade or business of such person (including all activities of such persons who are not individuals).

4. The term of the Loan is not longer than is reasonably necessary for the governmental purposes of this Loan. The average maturity of the Loan is not more than 120% of the reasonably expected useful life of the assets financed by the Loan.

5. No receipts from the sale of the Loan or amounts received from the investment thereof will be used to pay the principal of or interest on any issue of obligations of the Borrower other than the Loan.

6. No other obligations of the Borrower payable from the same source of funds were sold or delivered within 15 days before or after the date hereof.

C. Temporary Periods and Time for Expenditures.

1. The Borrower has previously entered or, within six months from the date hereof, will enter into binding obligations for the acquisition and construction of the Project which require the Borrower to expend at least 5% of the net sale proceeds of the Loan for the Project.

2. The Borrower will pursue the Project with due diligence until completed.

3. The Borrower expects that, after paying costs of issuing the Loan, all remaining proceeds of the Loan, including all income from the investment of proceeds of the sale of the Loan, will be expended to pay costs of the Project within three years after the date hereof.

D. Payment of Loan and Rebate.

1. There shall be levied and collected in the same manner as other ad valorem taxes on all taxable property within the City, a tax sufficient to pay when due the amounts payable under the Loan Agreement, as and when they become due, and to pay any expenses of maintaining and operating the Project required to be paid by the Borrower under the terms and provisions of the Loan Agreement. For the prompt payment of the Loan Agreement, both principal and interest, as the same shall become due, the full faith and credit of the Borrower have been irrevocably pledged.

2. Except as described herein, no funds of the Borrower have been pledged to payment of the principal of or interest on the Loan or otherwise restricted so as to give reasonable assurance of the availability of such funds for such purpose.

3. The Borrower has covenanted in the Loan Agreement that it will account separately for the proceeds of the Loan, that it will calculate the earnings on all nonpurpose investments, as such term is defined in the Regulations (the "Nonpurpose Investments"), allocated to proceeds of the Loan, and that it will make payments to the United States Treasury of any "rebatable arbitrage" as a result of such investments at least every five years and at the maturity of the Loan, together with any reports as the Secretary of the Treasury shall prescribe, as may be required by Section 148(f) of the Code.

E. No Artifice or Device.

1. In connection with the issuance of the Loan, the Borrower has not

- (a) employed any abusive arbitrage device, or
- (b) over-burdened the market for tax-exempt obligations.

F. Loan Not Hedge Bonds.

1. The Borrower expects to expend within three years from the date hereof, in addition to the costs of issuance of the Loan, an amount of proceeds of the Loan equal to not less than 85% of the net sale proceeds of the Loan.

2. No proceeds of the Loan have been invested in investments which have a substantially guaranteed yield for four years or more.

G. Reimbursement Obligations and Reimbursement Allocation.

1. None of the proceeds of the Loan or investment earnings thereon will be used to reimburse the Borrower for any costs of the Project.

Dated this _____ day of October, 2022

CITY OF EAST RIDGE, TENNESSEE

By: _____
MAYOR



City of East Ridge

1517 Tombras Avenue
East Ridge, Tennessee 37412
(423)867-7711 • www.eastridgetn.gov

RESOLUTION NO. 3314

AGENDA MEMO

TO: Mayor and Council

FROM: Chris Dorsey, City Manager

SUBJECT: Purchase of one 2022 Ford Explorer and one 2023 Ford Police Interceptor

DATE: September 6, 2022

Mayor and Council,

The Police Department requests approval to purchase one 2023 Ford Interceptor and Administration requests approval to purchase one 2022 Ford Explorer to replace the 2013 VW Passat. The Police vehicle is to replace one that was wrecked. The insurance settlement was for \$42,500.00. These items are under state contract. The costs are as follows:

- | | |
|---|--------------------|
| • Cost of 2022 Ford Explorer | \$30,051.00 |
| • Cost of 2023 Police Ford Interceptor | \$45,974.00 |
| • Total to be paid from General Fund (budgeted) | \$75,025.00 |
| • Total to be paid from Drug Fund | <u>\$ 1,000.00</u> |
| • Total cost of vehicles | \$76,025.00 |

Respectfully,
Chris Dorsey

RESOLUTION NO. 3314

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EAST RIDGE, TENNESSEE, AUTHORIZING THE CITY MANAGER OR HIS DESIGNEE TO PURCHASE ONE (1) 2023 FORD INTERCEPTOR SPORT UTILITY VEHICLE AND ONE (1) FORD EXPLORER SPORT UTILITY VEHICLE (“SUVS”) FROM LONNIE COBB FORD THROUGH THE TENNESSEE DEPARTMENT OF GENERAL SERVICES STATE-WIDE CONTRACT LISTING #209, PURSUANT TO TENNESSEE CODE ANNOTATED 12-3-1201(b)

WHEREAS, the City of East Ridge Police Department is in need of one (1) 2023 Police Ford Interceptor vehicle to replace a wrecked patrol vehicle; and

WHEREAS, the City of East Ridge is also in need of one (1) 2022 Ford Explorer to replace an aging 2013 Administration VW Passat; and

WHEREAS, the City of East Ridge is allowed to purchase from the Department of General Services Statewide Contract Listing, pursuant to T.C.A. 12-3-1201(b), without obtaining competitive bids; and

WHEREAS, the total cost for the two vehicles from Lonnie Cobb Ford on the Tennessee Statewide Vehicle Contract is as follows:

• Cost of 2022 Ford Explorer	\$30,051.00
• Cost of 2023 Police Ford Interceptor	\$45,974.00
• Total to be paid from General Fund (budgeted)	\$75,025.00
• Total to be paid from Drug Fund	<u>\$ 1,000.00</u>
• Total cost of vehicles	\$76,025.00

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EAST RIDGE, TENNESSEE, that the City Manager or his designee is hereby authorized to purchase, and execute all documents necessary to purchase, one (1) 2023 Police Ford Interceptor and one (1) 2022 Ford Explorer SUV from Lonnie Cobb Ford through the Department of General Services Statewide Contract Listing #209, pursuant to TCA 12-3-1201(b), with costs as follows:

• Cost of 2022 Ford Explorer	\$30,051.00
• Cost of 2023 Police Ford Interceptor	\$45,974.00
• Total to be paid from General Fund (budgeted)	\$75,025.00
• Total to be paid from Drug Fund	<u>\$ 1,000.00</u>
• Total cost of vehicles	\$76,025.00

BE IT FURTHER RESOLVED that this resolution shall take effect immediately after its passage, the public welfare of the City requiring it.

Adopted this _____ day of _____, 2022.

Brian W. Williams, Mayor

Attest:

Christopher J. Dorsey, City Manager

Approved as to Form:

Mark W. Litchford, City Attorney



City of East Ridge

1517 Tombras Avenue
East Ridge, Tennessee 37412
(423)867-7711 • www.eastridgetn.gov

Janet Middleton
City Recorder

AGENDA MEMORANDUM

TO: Mayor and Council
City Manager

FROM: Janet Middleton, City Recorder

SUBJECT: Temporary Special Events Beer Permit – Randy Carpenter

DATE: September 6, 2022

The City Manager's Office received an application for a temporary special events beer permit from Randy Carpenter, who owns and operates Family Concessions, to sell beer for consumption on premises at the following event:

- Adventure Van Expo- Camp Jordan Park
September 30 – October 2, 2022

Staff recommends approval of this request.