

RESOLUTION NO _____

INITIAL RESOLUTION AUTHORIZING THE INCURRENCE OF INDEBTEDNESS BY THE CITY OF CROSSVILLE, TENNESSEE, OF NOT TO EXCEED \$3,750,000, BY THE EXECUTION WITH THE PUBLIC BUILDING AUTHORITY OF THE CITY OF CLARKSVILLE, TENNESSEE, OF A LOAN AGREEMENT TO PROVIDE FUNDS TO REFUND CERTAIN OUTSTANDING DEBT OF THE CITY

WHEREAS, it is necessary and in the public interest of the City of Crossville, Tennessee (the "Municipality" or the "City"), to incur indebtedness (the "Indebtedness"), through the execution with The Public Building Authority of the City of Clarksville, Tennessee (the "Authority"), of a loan agreement (the "Loan Agreement"), for the purpose of refunding certain outstanding debt of the City, as hereinafter more fully described.

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

SECTION 1. For the purpose of providing funds to refund the outstanding principal of those certain Water System Refunding Bonds, Series 2005, dated March 31, 2005, issued by The Public Building Authority of the City of Crossville, Tennessee (the "Series 2005 Bonds"), the proceeds of such Series 2005 Bonds having been loaned to the Catoosa Water Utility District of Cumberland County and Fentress County, which service area has been taken over the by the City with the debt also being assumed by the City, and to pay costs of issuance in connection with incurring the Indebtedness, the Municipality is hereby authorized to incur Indebtedness in the amount of not to exceed Three Million Seven Hundred Fifty Thousand Dollars (\$3,750,000), for the refunding of the Series 2005 Bonds 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 variable rate, 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 Municipality 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 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. The indebtedness evidenced by the Loan Agreement shall be additionally payable from the revenues of the water system, subject only to the payment of reasonable and necessary costs of operating, maintaining, repairing, and insuring such water system and to a prior pledge of such revenues in favor of other obligations of the Municipality payable from revenues of the water system.

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 Clerk 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 Municipality.

SECTION 5. This Resolution shall take effect from and after its adoption, the welfare of the Municipality requiring it.

Adopted and approved this 13th day of May, 2014.

Mayor

Attest:

City Clerk

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 Crossville, Tennessee, shall have been filed with the City Clerk of the City of Crossville, Tennessee, protesting the incurrence of the Indebtedness by the execution of the Loan Agreement, such Loan Agreement will be executed, as proposed.

STATE OF TENNESSEE)
COUNTY OF CUMBERLAND)

I, Sally Oglesby, hereby certify that I am the duly qualified and acting City Clerk of the City of Crossville, Tennessee (the "Municipality"), and, as such official, I further certify as follows: (1) that attached hereto is a copy of an Initial Resolution excerpted from the minutes of the meeting of the City Council (the "Council"), of said Municipality held on May 13, 2014; (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 \$3,750,000 by said Municipality; (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 Municipality this 13th day of May, 2014.

City Clerk

(SEAL)