

RESOLUTION NO. 19-004

INITIAL RESOLUTION AUTHORIZING THE INCURRENCE OF INDEBTEDNESS BY THE CITY OF MCKENZIE, TENNESSEE, OF NOT TO EXCEED \$2,700,000, BY THE EXECUTION WITH THE PUBLIC BUILDING AUTHORITY OF THE CITY OF CLARKSVILLE, TENNESSEE, OF A LOAN AGREEMENT TO PROVIDE FUNDING FOR PUBLIC WORKS PROJECTS AND TO FUND THE INCIDENTAL AND NECESSARY EXPENSES RELATED THERETO

WHEREAS, it is necessary and in the public interest of the City of McKenzie, 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 (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 McKenzie, Tennessee, as follows:

SECTION 1. For the purpose of financing all or a portion of the costs of public works projects, consisting of energy saving improvements throughout the City, including LED street lights, energy saving devices and equipment, safety technology for City owned property and buildings, and electronic water meters and drive by readers for the water department of the City, the acquisition of all other property real and personal, appurtenant thereto or connected with such work, and to pay legal, fiscal, administrative, design, and engineering costs incident thereto, reimbursement for expenditures related to the foregoing, and to pay costs incident to incurring the Indebtedness (collectively, the "Project"), the Municipality is hereby authorized to incur Indebtedness in the amount of not to exceed Two Million Seven Hundred Thousand Dollars (\$2,700,000), 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 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, and interest on, the Loan Agreement, the full faith and credit of the Municipality will be irrevocably pledged. The portion of the indebtedness evidenced by the Loan Agreement used for the water system projects shall be additionally payable from, but not secured by, 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.

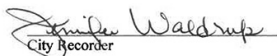
SECTION 4. After the adoption of this Resolution, the City Recorder is directed to cause this Resolution, with the notice prescribed by the Act, to be published in full once in a newspaper published and having general circulation in the Municipality.

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

Adopted and approved this 22nd day of March, 2019.

Attest:

Mayor


City Recorder

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