

RESOLUTION NO. 26130

A RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF BONDS IN THE AGGREGATE AMOUNT NOT TO EXCEED TWENTY MILLION DOLLARS (\$20,000,000.00) OF THE CITY OF CHATTANOOGA, FOR THE PURPOSE OF PAYING ALL OR A PORTION OF THE COSTS OF CERTAIN PROJECTS AT THE VOLKSWAGEN CAR PLANT INCLUDING STREETS, HELIPAD, WELCOME CENTER, FIRE BUILDING, ELECTRIC TRANSFORMER STATION, WASTEWATER, WATER AND STORMWATER DRAINAGE, CERTAIN UTILITY INFRASTRUCTURE AND FINANCING CERTAIN OTHER PUBLIC WORKS PROJECTS INCLUDING FOR GENERAL GOVERNMENT, PUBLIC WORKS, FIRE DEPARTMENT, INFORMATION SERVICES, ROAD IMPROVEMENTS (GOODWIN DRIVE), 6.4 ESIP RAILWAY LINES, FIRE SERVICE EXPANSION, LAND FOR NEW STATIONS, APPARATUS FOR NEW STATIONS, FURNISHINGS FOR NEW STATIONS, FIRE HYDRANTS, MESH NETWORK FOR INFORMATION SERVICES, ESIP TRAFFIC STUDY INTERSECTION IMPROVEMENTS, HICKORY VALLEY ROAD BRIDGE REPLACEMENT, LOCAL INFRASTRUCTURE AND CERTAIN OTHER PUBLIC WORKS PROJECTS AND FIXING THE MAXIMUM RATE OF INTEREST SUCH BONDS SHALL BEAR.

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WHEREAS, Sections 9-21-101 to 9-21-1017, both inclusive, Tennessee Code Annotated, authorize municipalities in the State of Tennessee to issue bonds for public works projects; and

WHEREAS, Section 9-21-205 of said Code provides that before bonds may be issued the governing body of the municipality shall adopt a resolution known as the "INITIAL RESOLUTION" determining to issue such bonds:

NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CHATTANOOGA, TENNESSEE, That pursuant to the provisions of Tennessee Code Annotated, referred to in the preamble hereof, there be issued and sold Bonds in the aggregate amount not to exceed Twenty

Million Dollars (\$20,000,000.00) of the city of Chattanooga, Tennessee for the purpose of paying all or a portion of the costs of certain projects at the Volkswagen Car Plant including streets, helipad, welcome center, fire building, electric transformer station, wastewater, water and stormwater drainage, certain utility infrastructure and financing certain other public works projects including for general government, public works, fire department, information services, road improvements (Goodwin Drive), 6.4 ESIP Railway Lines, fire service expansion, land for new stations, apparatus for new stations, furnishings for new stations, fire hydrants, mesh network for information services, ESIP traffic study intersection improvements, Hickory Valley Road Bridge replacement, local infrastructure and certain other public works projects, said bonds shall bear interest at such rate or rates not to exceed the rate or rates prescribed by law payable semiannually and shall be payable exclusively from ad valorem taxes levied upon all the taxable property in the City of Chattanooga and shall be issued at the time or times and bear date or dates and mature at such times as may hereafter be determined by resolution.

This resolution also contemplates and authorizes the use of proceeds of any bonds hereafter issued by the city for the purpose described herein to be used to reimburse the City for any costs incurred on or after a date 60 days prior to adoption of this resolution and, in addition, de minimis amounts incurred before that date and amounts not exceeding twenty percent (20%) of the adjusted issue price of the bonds which are expended for preliminary expenditures, within the meaning of Treasury Regulation Section 1.150-2, all of which costs are incurred or to be incurred with respect to projects referred to in this resolution.

ADOPTED: \_\_\_\_\_ November 3 \_\_\_\_\_, 2009