

RESOLUTION NO. RS2018-1085

The Metropolitan Government of
Nashville and Davidson County
(Tennessee)

Resolution authorizing a short-term extension to the liquidity facility agreement related to the Metropolitan Government's water and sewer commercial paper program.

Adopted March 20, 2018

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Resolution authorizing a short-term extension to the liquidity facility agreement related to the Metropolitan Government's water and sewer commercial paper program.

WHEREAS, pursuant to Resolution No. RS2015-1604, adopted by the Metropolitan County Council on August 18, 2015 (the "Commercial Paper Resolution"), the Metropolitan Government has issued and has outstanding its water and sewer revenue bond anticipation notes in the form of commercial paper (the "Commercial Paper"); and,

WHEREAS, pursuant to the Commercial Paper Resolution, and in order to provide credit support for the payment of the Commercial Paper, the Metropolitan Government entered into that certain Reimbursement Agreement, dated as of October 1, 2015 (the "Reimbursement Agreement"), with The Bank of Tokyo-Mitsubishi UFJ, Ltd., acting through its New York Branch (the "Bank"), pursuant to which the Bank has issued its letter of credit (the "Letter of Credit") in favor of holders of the Commercial Paper; and,

WHEREAS, the Letter of Credit and the Reimbursement Agreement expire on April 13, 2018; and,

WHEREAS, the Metropolitan Government has determined to implement a new water and sewer commercial paper program through a request-for-proposal process with liquidity banks, but that process will not allow for the implementation of the new program by April 13, 2018; and,

WHEREAS, the Bank has agreed to extend the Letter of Credit and Reimbursement Agreement for up to 90 days on the terms and conditions set forth herein; and,

WHEREAS, the Metropolitan County Council has determined that it is in the best interest of the Metropolitan Government to enter into an amendment to the Reimbursement Agreement to accomplish the foregoing.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY:

Section 1. The Metropolitan County Council hereby approves the extension of the Letter of Credit and the Reimbursement Agreement on the terms attached hereto as Exhibit A. Except as otherwise set forth in Exhibit A, the Letter of Credit and Reimbursement Agreement shall be in the forms approved by the Metropolitan County Council pursuant to the Commercial Paper Resolution.

Section 2. The Metropolitan Mayor and the Metropolitan Clerk are hereby authorized to execute and deliver an amendment to the Reimbursement Agreement and such other documents and agreements as may be necessary to extend the Letter of Credit and Reimbursement Agreement, as contemplated in Section 1 above.

Section 3. The Metropolitan Mayor, The Metropolitan Clerk, the Director of Finance, the Metropolitan Treasurer and the other officers and employees of the Metropolitan Government

are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents which they may deem necessary or advisable in order to effectuate the purposes of this resolution.

Section 4. This Resolution shall take effect from and after its adoption, the welfare of the Metropolitan Government requiring it.

RECOMMENDED BY:

INTRODUCED BY:

Scott Potter
Director of Water and Sewerage Services

APPROVED AS TO AVAILABILITY OF FUNDS BY:

Talia Lomax O'dneal
Director of Finance

Member(s) of Council

APPROVED AS TO FORM AND LEGALITY:

Jon Cooper
Director of Law

EXHIBIT A
Extension Term Sheet
(attached)

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