

RESOLUTION NO. RS2018-1391 (VERCHER) – This resolution would authorize the issuance, sale, and payment of general obligation improvement bonds in a principal amount not to exceed seven hundred seventy-five million dollars (\$775,000,000) for the purposes of financing a variety of public works projects authorized by multiple previous resolutions, and to retire a portion of the Metropolitan Government’s outstanding general obligation commercial paper bond anticipation notes previously issued pursuant to Resolution Nos. RS2017-687 (\$375,000,000) and RS2014-1066 (as amended by RS2017-688) (\$200,000,000 amended to \$325,000,000).

The public works projects previously authorized by earlier resolutions are as follows:

- RS2009-746, FY10 Capital Spending Plan
- RS2010-1120, General Hospital patient record systems
- RS2010-1139, Metro school buildings and facilities
- RS2010-1363, FY11 Capital Spending Plan
- RS2012-276, FY13 Capital Spending Plan
- RS2012-316, Energy Conservation Bonds for Bridgestone Arena, etc.
- RS2013-559, FY13 Mid-Year Capital Spending Plan
- RS2013-710, FY14 Capital Spending Plan
- RS2014-963, Equipment for schools, MAC, Fire, Public Works, and Parks
- RS2014-1126, FY15 Capital Spending Plan
- RS2015-1500, FY16 Capital Spending Plan
- RS2016-245, FY17 Capital Spending Plan
- RS2017-713, FY18 Capital Spending Plan
- RS2017-963, FY18 Mid-Year Capital Spending Plan
- RS2018-1328, Fairgrounds buildings and facilities and soccer stadium infrastructure

These bonds would be sold through a public bidding process to the bank whose bid results in the lowest true interest cost to Metro. Metro would begin making principal payments on the bonds in 2019, and the bonds would have a final maturity date of 2038. Interest on these bonds would not exceed 6.00% per annum, or the maximum interest rate permitted by law, and would be payable semi-annually on January 1st and July 1st, commencing January 1, 2019.

Per state law requirements for general obligation bonds, the resolution provides that Metro would levy ad valorem property taxes on all taxable property in the General Services and Urban Service Districts each year in an amount sufficient to pay the debt service on the bonds. (Tenn. Code Ann. § 9-21-205)

Fiscal Note: The principal amount of these bonds would not exceed \$775,000,000. The interest rate on the bonds would not exceed 6.00% per annum. Interest payments for the bonds would begin on January 1, 2019. The final maturity date would be in 2038.

Bass, Berry & Sims PLC is acting as Bond Counsel to Metro. Hilltop Securities Inc. would act as the Financial Advisor to Metro for these bonds.

The U.S. Bank National Association would be the Registration and Paying Agent. Cede & Co. would act as the securities depository for the bonds as the nominee of the Depository Trust Company.